

Progressive Design-Build Agreement for Water and Wastewater Projects

This Progressive Design-Build Agreement has been developed in conjunction with and endorsed by the Water Collaborative Delivery Association.





Design-Build Institute of America - Contract Documents

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- 8. Acknowledgement.** You acknowledge that you have read this agreement, understand it, and agree to be bound by its terms and conditions and that it will be governed by the laws of the District of Columbia. You further agree that it is the complete and exclusive statement of your agreement with DBIA which supersedes any proposal or prior agreement, oral or written, and any other communications between the parties relating to the subject matter of this agreement.



Progressive Design-Build Agreement for Water and Wastewater Projects

*This document has important legal consequences. Consultation with
an attorney is recommended with respect to its completion or modification.*

This **AGREEMENT** is made as of the 2nd day of July in the year of 2025, by and between the following parties, for services in connection with the Project identified below:

OWNER:

The City of San Marcos, Texas
Purchasing & Contracting Division
630 East Hopkins Street
San Marcos, Texas 78666

DESIGN-BUILDER:

Burns & McDonnell Engineering Company, Inc.
Bridgepoint Building 4
6200 Bridge Point Parkway
Austin, TX 78730

PROJECT:

FM 1978 Water Reclamation Facility Progressive Design-Build Project

In consideration of the mutual covenants and obligations contained herein, Owner and Design-Builder agree as set forth herein.

Article 1

Design-Builder's Services and Responsibilities

1.1 General Services.

1.1.1 Owner's Project Criteria describing Owner's program requirements and objectives for the Project are set forth in City of San Marcos FM 1978 Water Reclamation Facility Basis of Design, included and attached as Exhibit A to this Agreement.

1.1.2 Design-Builder shall review Owner's Project Criteria and prepare a written evaluation of such criteria, including recommendations to Owner for different and innovative approaches to the design and construction of the Project. The parties shall meet to discuss Design-Builder's written evaluation of Owner's Project Criteria and agree upon what revisions, if any, should be made to such criteria.

1.2 Phased Services.

1.2.1 Phase 1 Services. Design-Builder shall perform the services of design, pricing and other services for the Project based on Owner's Project Criteria, as may be revised in accordance with Section 1.1 hereof, as set forth in Exhibit B, Scope of Services. Design-Builder shall perform such services to the level of completion required for Design-Builder and Owner to establish the Contract Price for Phase 2, as set forth in Section 1.3 below. The Contract Price for Phase 2 shall be developed during Phase 1 on an "open-book" basis with cost information and estimating activities shared with Owner and discussed in progress meetings. The level of completion required for Phase 1 Services is defined in Exhibit B, Scope of Services (either as a percentage of design completion or by defined deliverables).

1.2.2 Phase 2 Services. Design-Builder's Phase 2 services shall consist of the completion of design services for the Project, the procurement of all materials and equipment for the Project, the performance of construction services for the Project, the start-up, testing and commissioning of the Project, and the provision of warranty services, all as further described in the Contract Price Amendment. Upon receipt of Design-Builder's proposed Contract Price for Phase 2, Owner may proceed as set forth in Article 1.3.

1.3 Proposal. Upon completion of the Phase 1 Services and any other Basis of Design Documents upon which the parties may agree, Design-Builder shall submit a proposal to Owner (the "Proposal") for the completion of the design and construction for the Project for the Contract Price, which shall be based on Cost of the Work with a Guaranteed Maximum Price (GMP). The GMP establishes the upper limit of Owner's payment obligations.

1.3.1 The Proposal shall include the following unless the parties mutually agree otherwise:

1.3.1.1 The Contract Price shall be the sum of:

- i Design-Builder's Fee as defined in Section 6.2.1 hereof;
- ii The estimated Cost of the Work based on allowable costs pursuant to Section 6.3 herein; and
- iii Design-Builder's schedule of values as required by the Contract Documents;

1.3.1.2 The Basis of Design Documents, which may include, by way of example, Owner's Project Criteria, which are set forth in detail and are attached to the Proposal;

1.3.1.3 A list of the assumptions and clarifications made by Design-Builder in the preparation of the Proposal, which list is intended to supplement the information contained

in the drawings and specifications and is specifically included as part of the Basis of Design Documents;

1.3.1.4 The Scheduled Substantial Completion Date upon which the Proposal is based, to the extent said date has not already been established under Section 5.2.1 hereof, and a baseline schedule upon which the Scheduled Substantial Completion Date is based demonstrating the critical path, a Project Schedule, for the Work;

1.3.1.5 If applicable, a list of Allowance Items, Allowance Values, and a statement of their basis;

1.3.1.6 If applicable, a schedule of alternate prices;

1.3.1.7 If applicable, a schedule of unit prices;

1.3.1.8 If applicable, a statement of Additional Services which may be performed but which are not included in the Proposal, and which, if performed, shall be the basis for an increase in the Contract Price and/or Contract Time(s);

1.3.1.9 If applicable, a Savings provision;

1.3.1.10 If applicable, Performance Incentives;

1.3.1.11 The time limit for acceptance of the Proposal; and

1.3.1.12 An Owner's permit list, a list detailing the permits and governmental approvals that Owner will bear responsibility to obtain.

1.3.2 Review and Adjustment to Proposal.

1.3.2.1 After submission of the Proposal, Design-Builder and Owner shall meet to discuss and review the Proposal. If Owner has any comments regarding the Proposal, or finds any inconsistencies or inaccuracies in the information presented, it shall promptly give written notice to Design-Builder of such comments or findings. If appropriate, Design-Builder shall, upon receipt of Owner's notice, make appropriate adjustments to the Proposal.

1.3.2.2 Acceptance of Proposal. If Owner accepts the Proposal, as may be amended by Design-Builder, Owner and Design-Builder will execute the Contract Price Amendment which shall be included as a Contract Document. The Parties' agreement and execution of the Contract Price Amendment signify the end of Phase 1 and commencement of Phase 2.

1.3.2.3 Failure to Accept the Proposal. If Owner rejects the Proposal, or fails to notify Design-Builder in writing on or before the date specified in the Proposal that it accepts the Proposal, the Proposal shall be deemed withdrawn and of no effect. In such event, Owner and Design-Builder shall meet and confer as to how the Project will proceed, with Owner having the following options:

- i Owner may suggest modifications to the Proposal, whereupon, if such modifications are accepted in writing by Design-Builder, the Contract Price Amendment will be executed reflecting the agreed modifications; or
- ii Owner may terminate this Agreement, compensate Design-Builder for all unpaid Phase 1 services, and may utilize any instruments of service for which ownership has passed from Design-Builder to Owner for future Project development and construction. Unless Owner has terminated for cause in

accordance with the terms of the Contract Documents, Owner's use of said instruments of service will be at its own risk.

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Article 2

Contract Documents

2.1 The Contract Documents are comprised of the following:

2.1.1 This Agreement;

2.1.2 The Contract Price Amendment;

2.1.3 Fully executed change orders to the Agreement;

2.1.4 The General Conditions of Contract;

2.1.5 Construction Documents, which consist of all drawings issued for construction and technical specifications;

2.1.6 Performance and Payment bonds; and

2.1.7 Owner's Insurance Rider.

Any documents not expressly listed above are not Contract Documents.

Article 3

Interpretation and Intent

3.1 Design-Builder and Owner, at the time of acceptance of the Proposal by Owner in accordance with Section 1.3 herein, shall carefully review all the Contract Documents, including the various documents comprising the Basis of Design Documents for any conflicts or ambiguities. Design-Builder and Owner will discuss and resolve any identified conflicts or ambiguities prior to execution of the Agreement, or if applicable, prior to Owner's acceptance of the Proposal.

3.2 The Contract Documents are intended to permit the Design-Builder to complete the Work and all obligations required by the Contract Documents within the Contract Time(s) for the Contract Price. The Contract Documents are intended to be complementary and interpreted in harmony so as to avoid conflict, with words and phrases interpreted in a manner consistent with construction and design industry standards. In the event inconsistencies, conflicts or ambiguities between or among the Contract Documents are discovered after Owner's acceptance of the Proposal, Design-Builder shall resolve the conflict with consultation and approval of Owner. To the extent resolution of the conflict requires the incurrence of additional cost for design or construction, Design-Builder shall be responsible for such cost and may not include the same in the Contract Price.

3.3 Terms, words and phrases used in the Contract Documents, including this Agreement, shall have the meanings given to them in the General Conditions of Contract if defined therein. Absent a contractually designated definition, terms, words, and phrases shall have their ordinary meaning.

3.4 The Contract Documents form the entire agreement between Owner and Design-Builder and by incorporation herein are as fully binding on the parties as if repeated herein. No oral representations or other agreements have been made by the parties except as specifically stated in the Contract Documents.

Article 4

Ownership of Work Product, Copyrights and Licenses

4.1 As long as Owner is current in the payment of all undisputed invoices, all work product prepared by the Design-Builder pursuant to this Agreement, including, but not limited to, all Contract Documents, Plans and Specifications and any computer aided design, shall be the sole and exclusive property of Owner, subject to the Design-Builder's reserved rights.

4.2 Design-Builder's technology, including without limitation customary techniques and details, skill, processes, knowledge, and computer software developed or acquired by Design-Builder or its Subconsultants to prepare and manipulate the data which comprises the Instruments of Service shall all be and remain the property of the Design-Builder.

4.3 General Drawings, specifications, and other documents furnished by the Design-Builder, including those in electronic form, are Instruments of Service. As part of the total compensation which Owner has agreed to pay Design-Builder for the professional services to be rendered under this Agreement, Design-Builder agrees that all finished and unfinished Instruments of Service including but not limited to documents, data, studies, surveys, drawings, specifications, field notes, maps, models, photographs, preliminary reports, reports, bid packet/construction contract documents/advertisement for bids incorporating any Owner standard provisions provided by Design-Builder, all of which are produced by Design-Builder and paid for by Owner are, and will remain, the property of the Owner. Design-Builder will furnish Owner with electronic copies of all of the foregoing to facilitate coordination. Ownership of the underlying work product shall remain the intellectual property of Design-Builder. The above notwithstanding, Design-Builder shall retain all rights in its standard drawing details, designs, specifications, databases, computer software and any other proprietary and intellectual property information provided pursuant to this Contract.

4.4 The Design-Builder and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project.

4.4.1 The Design-Builder shall obtain non-exclusive licenses from the Architect, Engineer, Consultants, and Contractors, that will allow the Design-Builder to satisfy its obligations to the Owner under this Agreement.

4.4.2 In the event the Owner alters the Instruments of Service without the author's written authorization, the Owner releases the Design-Builder and its Subconsultants and any other person or entity providing services or work for any of them, from all claims and causes of action arising from such alteration. The terms of this Section shall not apply if Owner rightfully terminates this Agreement for cause.

Article 5

Contract Time

5.1 Date of Commencement. The Phase 1 Services shall commence upon execution of this Agreement by the Owner which shall follow execution by the Design-Builder. Phase 2 Services shall commence upon execution of the Contract Price Amendment. Owner may issue a Notice to Proceed to signal commencement of Phase 2 construction activities but, if none issued, Phase 2 Contract Time shall run from the date of execution.

5.2 Substantial Completion and Final Completion.

5.2.1 Substantial Completion of the entire Work shall be achieved no later than Eleven-Hundred Forty-Three (1,143) calendar days after the Date of Commencement ("Scheduled Substantial Completion Date").

"*Substantial Completion* is the date on which the Work, or an agreed upon portion of the Work, is sufficiently complete in accordance with the Contract Documents so that Owner can occupy and use the Project or a portion thereof for its intended purposes, provided, however, that Substantial Completion shall be deemed to have been achieved no later than the date of issuance of a Temporary Certificate of Occupancy issued by the local building official, if a Temporary Certificate of Occupancy is applicable to the Project."

5.2.2 Final Completion of the Work shall be achieved within sixty (60) days of the date of Substantial Completion of all Work unless the Parties mutually agree, in writing, to extend the date for Final Completion. All items of Work that remain, all punch list work, and any nonconforming work then known to exist, shall be completed as expeditiously as reasonably practicable.

5.3 Time limits stated in the Contract Documents are of the essence of the Contract. In all aspects of the Work, time is of the essence of the Contract. By executing the Cost Proposal Agreement Amendment, the Design-Builder confirms that the Contract Time is a reasonable period for performing the Work.

5.4 Liquidated Damages. Design-Builder acknowledges and recognizes that Owner is entitled to full and beneficial occupancy and use of the completed Work following expiration of the Contract Time. The Design-Builder further acknowledges and agrees that, if the Design-Builder fails to achieve the Project completion obligations from Section 5.2, the Owner will sustain actual damages as a result of such failure. The exact amount of such damages will be difficult to ascertain.

5.4.1 Design-Builder understands that if Substantial Completion is not attained by the Scheduled Substantial Completion Date, Owner and Design-Builder agree that Design-Builder shall pay Owner Two Thousand Five Hundred Dollars (\$2,500) as liquidated damages for each calendar day that Substantial Completion extends beyond the date from section 5.2.1.

5.4.2 Because Final Completion is required before Owner can comply with its regulatory permit obligations and utilize the Project for its intended Design-Builder understands that if Final Completion is not achieved within 60 days of Substantial Completion Date, Owner and Design-Builder agree that Design-Builder shall pay to Owner Two Thousand Five Hundred Dollars (\$2,500), as liquidated damages for each calendar day that Final Completion is delayed beyond the date from section 5.2.2.

5.5 Any liquidated damages assessed pursuant to this Agreement shall be in lieu of all liability for any and all extra costs, losses, expenses, claims, penalties and any other damages, whether special or consequential, and of whatsoever nature, incurred by Owner which are occasioned by any delay in achieving Substantial Completion, Interim Milestone Dates (if any) or Final Completion.

Article 6

Contract Price

6.1 Contract Price.

6.1.1 Owner shall pay Design-Builder in accordance with Article 6 of the General Conditions of Contract the sum of Three Million, Five-Hundred Eighteen Thousand, Four-Hundred Five Dollars (\$3,518,405.00) for the Phase 1 Services in accordance with the Phase 1 Fee Proposal attached hereto as Exhibit A, subject to adjustments made in accordance with the General Conditions of Contract.

6.1.2 For Phase 2 Services, Owner shall pay Design-Builder in accordance with Article 6 of the General Conditions of Contract and Contract Price Amendment.

6.2 Design-Builder's Fee.

6.2.1 Design-Builder's Fee shall be seven percent (7.0%) of the Cost of the Work.

6.3 Cost of the Work.

6.3.1 The term Cost of the Work shall mean costs reasonably incurred by Design-Builder in the performance of the Work in accordance with the Contract Documents. The Cost of the Work shall include only the following:

6.3.1.1 Wages and burden/fees of direct employees of Design-Builder performing the Work at the Site or, with Owner's agreement, at locations off the Site, calculated on the basis of prevailing market rates for design professionals performing such services or, if applicable, those rates set forth in an exhibit to this Agreement.

6.3.1.2 Wages and fees of Design-Builder's personnel stationed at Design-Builder's principal offices, but only to the extent said personnel are previously identified and performing the function set forth as so identified and compensated in accordance with rates and tasks set forth in an exhibit to this Agreement, or if no such rate exhibit, at prevailing rates for such personnel.

6.3.1.3 The reasonable portion of the cost of travel, accommodations and meals for Design-Builder's personnel necessarily and directly incurred in connection with the performance of the Work.

6.3.1.4 Payments properly made by Design-Builder to Subcontractors and Design Consultants for performance of portions of the Work, including any insurance and bond premiums incurred by Subcontractors and Design Consultants.

6.3.1.5 Costs, including transportation, inspection, testing, storage and handling of materials, equipment and supplies incorporated or reasonably used in completing the Work.

6.3.1.6 Costs less salvage value of materials, supplies, temporary facilities, machinery, equipment and hand tools not customarily owned by the workers that are not fully consumed in the performance of the Work and which remain the property of Design-Builder, including the costs of transporting, inspecting, testing, handling, installing, maintaining, dismantling and removing such items.

6.3.1.7 Costs of removal of debris and waste from the Site.

6.3.1.8 The reasonable costs and expenses incurred in establishing, operating and demobilizing the Site office, including the cost of facsimile transmissions, long-distance telephone calls, postage and express delivery charges, telephone service, photocopying and reasonable petty cash expenses.

6.3.1.9 Rental charges and the costs of transportation, installation, minor repairs and replacements, dismantling and removal of temporary facilities, machinery, equipment and hand tools not customarily owned by the workers, which are provided by Design-Builder at the Site, whether rented from Design-Builder or others, and incurred in the performance of the Work.

6.3.1.10 Premiums for insurance and bonds required by this Agreement or the performance of the Work.

6.3.1.11 Deductibles for Builder's Risk coverage in the event of a claim.

6.3.1.12 All fuel and utility costs incurred in the performance of the Work.

6.3.1.13 Sales, use or similar taxes, tariffs or duties incurred in the performance of the Work. Provided that if the Owner is exempt from such taxes and provides a tax exemption certificate or certificates to Design-Builder that effect, no such taxes shall apply.

6.3.1.14 Costs for permits, royalties, licenses, tests and inspections incurred by Design-Builder as a requirement of the Contract Documents.

6.3.1.15 Deposits which are lost, except to the extent caused by Design-Builder's negligence.

6.3.1.16 Costs incurred in preventing damage, injury or loss in case of an emergency affecting the safety of persons and property, except to the extent caused by Design-Builder or anyone performing Work on its behalf.

6.3.1.17 Accounting and data processing costs related to the Work.

6.3.1.18 Costs incurred by Design-Builder to provide the payment and performance bonds, warranties and guarantees with respect to the Work as provided herein.

6.3.1.19 Other costs reasonably and properly incurred in the performance of the Work to the extent approved in writing by Owner.

6.3.2 Non-Reimbursable Costs. The following shall be excluded from the Cost of the Work:

6.3.2.1 Compensation for Design-Builder's personnel stationed at Design-Builder's principal or branch offices, except as provided for in Sections 6.3.1.1 and 6.3.1.2.

6.3.2.2 Overhead, all costs and expenses that are not specific to the Project, and general expenses.

6.3.2.3 The cost of Design-Builder's capital used in the performance of the Work.

6.3.2.4 If the parties have agreed on a GMP, costs that would cause the GMP, as adjusted in accordance with the Contract Documents, to be exceeded.

6.3.2.5 Costs incurred by Design-Builder in repairing or correcting defective, damaged or nonconforming Work (including any warranty or corrective Work performed after Substantial Completion).

6.3.2.6 Any and all costs incurred by Design Builder, including but not limited to costs for project management and costs to comply with the General Conditions, to the extent that such costs would cause the GMP to be exceeded.

6.4 The Guaranteed Maximum Price shall be established in the Cost Price Amendment.

6.4.1 Design-Builder guarantees that the total charge to Owner for completion of all Work shall not exceed the GMP as stated in the Cost Price Amendment, which shall identify and include all details concerning Cost of the Work to support the GMP. **Design-Builder agrees that it will be responsible for paying or absorbing all costs of completing the Work which exceed the GMP, as said GMP may be adjusted in accordance with the Contract Documents.**

6.4.2 The Parties intend that the GMP will be increased or decreased by any additive or deductive Change Orders that change the scope of the Work, unless the Contract Price Amendment contains contingency, which shall be fully consumed prior to agreement on an additive change order increasing the GMP.

Article 7

Procedure for Payment

7.1 Payment for Preliminary Services. Unless otherwise agreed, payments for Work performed prior to execution of the Contract Price Amendment shall be made monthly and Owner shall compensate Design-Builder as follows:

7.1.1 The hourly billing rates for services of the Design-Builder and the Design-Builder's Architect, Consultants and Contractors, if any, as set forth in and exhibit to this Agreement;

7.1.2 *Compensation for Reimbursable Expenses Prior to Execution of Design-Build Amendment*
Reimbursable expenses, directly related to the Project, incurred by the Design-Builder and the Design-Builder's Architect, Subconsultants, and subcontractors, as follows:

- 7.1.2.1 Transportation and authorized out-of-town travel and subsistence;
- 7.1.2.2 Fees paid for securing approval of authorities having jurisdiction over the Project;
- 7.1.2.3 Printing, reproductions, plots, standard form documents;
- 7.1.2.4 Postage, handling and delivery;
- 7.1.2.5 Renderings, physical models, mock-ups, professional photography, and presentation materials requested by the Owner; and
- 7.1.2.6 Other Project-related expenditures, if authorized in advance by Owner.

7.2 Records of Reimbursable Expenses and services performed on the basis of hourly rates shall be provided to the Owner with each application for payment or invoice on which any charges for reimbursable expenses appears. Further, Design-Builder shall maintain, at its office, a complete record of all costs and accounting data generated in relation to Reimbursable Expenses and services performed for a period of five years following execution of the Design-Build Amendment or termination of this Agreement, whichever occurs first. Upon request of Owner, and within a reasonable time following such request, Design-Builder will make available for inspection and duplication all records required to be maintained by this section or elsewhere in the Design-Build Documents.

7.3 Contract Price Progress Payments.

7.3.1 Design-Builder shall submit to Owner on the 1st day of each month, beginning with the first month after the Date of Commencement, Design-Builder's Application for Payment in accordance with Article 6 of the General Conditions of Contract.

7.3.2 Owner shall make payment within thirty (30) days after Owner's receipt of each properly submitted and accurate Application for Payment in accordance with Article 6 of the General Conditions of Contract, but in each case less the total of payments previously made, and less amounts properly withheld under Section 6.3 of the General Conditions of Contract.

7.3.3 If Design-Builder's Fee is a fixed amount for either Phase 1 or Phase 2, the amount of Design-Builder's Fee to be included in Design-Builder's monthly Application for Payment and paid by Owner shall be proportional to the percentage of the Work completed, less payments previously made on account of Design-Builder's Fee.

7.4 Retainage on Progress Payments.

7.4.1 Owner will retain five percent (5%) of each Application for Payment. Upon Design-Builder achieving Substantial Completion, the retainage shall be reduced as provided in the Cost Price Agreement, if at all.

7.5 Final Payment. Design-Builder shall submit its Final Application for Payment to Owner in accordance with Section 6.7 of the General Conditions of Contract. Owner shall make payment on Design-Builder's properly submitted and accurate Final Application for Payment (less any amount the parties may have agreed to set aside for warranty work) within thirty (30) days, provided that Design-Builder has satisfied the requirements for final payment set forth in Section 6.7.2 of the General Conditions of Contract.

7.6 Interest. Timeliness and interest due on payments to the Design-Builder are subject to and controlled by Chapter 2251 of the Texas Government Code.

Article 8

Representatives of the Parties

8.1 Owner's Representatives.

8.1.1 Owner designates the individual listed below as Representative:

Marcus Naiser
Assistant Director of CIP
Capital Improvements/Engineering
630 E Hopkins
San Marcos, Texas 78666
512.393.8376
mnaiser@sanmarcostx.gov

8.1.2 Design-Builder designates the individual listed below as its Representative.

Hillary Fontenot
Section Manager – Construction/Water
Burns & McDonnell
777 Main Street
Fort Worth, Texas 76102
817.570.0888
hfontenot@burnsmcd.com

Article 9

Bonds and Insurance

9.1 Insurance. Design-Builder shall procure the insurance coverages set forth in the Owner's Insurance Rider attached hereto.

9.2 Chapter 2253 of the Texas Government Code requires performance and payment bonds be provided by Design-Builder for this Project. Bonds shall be written on the forms included as exhibits to this Agreement.

Article 10

Other Provisions

10.1 Other provisions, if any, are as follows: (Insert any additional provisions.)

10.2 Listing of Exhibits and documents incorporated herein:

Exhibit A – Owner's Project Criteria

Exhibit B – Scope of Services and Phase 1 Fee Schedule

Exhibit C – Owner's Insurance Rider

Exhibit D – Performance and Payment Bonds

Exhibit E – Contract Price Amendment

In executing this Agreement, Owner and Design-BUILDER each individually represents that it has the necessary financial resources to fulfill its obligations under this Agreement, and each has the necessary corporate approvals to execute this Agreement, and perform the services described herein.

OWNER:

City of San Marcos, Texas

(Signature)

(Printed Name)

(Title)

Date: _____

DESIGN-BUILDER:

Burns & McDonnell Engineering Company, Inc.
Burns & McDonnell Engineering Company, inc.



(Signature)

Scott Clark

Scott Clark

Senior Vice President

(Title)

Date: 6/16/2025

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City of San Marcos
FM 1978 Water Reclamation Facility
Owner's Project Criteria

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List of Abbreviations

CBOD5	5-day Carbonaceous Biochemical Oxygen Demand
COSM	City of San Marcos
CWSRF	Clean Water State Revolving Fund
DB	Design-Builder
DO	Dissolved Oxygen
gpm	Gallons per Minute
LUE	Living Unit Equivalent
MCL	Maximum Contaminant Level
MGD	Million Gallons per Day
NH ₃ -N	Ammonia Concentration as Nitrogen
OA	Owner Advisor
ppm	Parts per Million
TAC	Texas Administrative Code
TCEQ	Texas Commission on Environmental Quality
TDS	Total Dissolved Solids
TKN	Total Kjeldahl Nitrogen
TP	Total Phosphorus
TPDES	Texas Pollution Discharge Elimination System
TSS	Total Suspended Solids
TWDB	Texas Water Development Board
WIFIA	Water Infrastructure Finance and Innovation Act
WRF	Water Reclamation Facility

Executive Summary

The City San Marcos is planning for the construction of the proposed FM 1978 Water Reclamation Facility with an initial permitted treatment capacity of at least 2.0 MGD with phased expansions up to 8.0 MGD.

This Basis of Design report identifies the major components of the proposed FM 1978 Water Reclamation Facility that need to be constructed as part of this project. The components proposed for the facility are illustrated in various exhibits in Appendix A and alternatives for Design-Builder (DB) consideration are discussed in this report.

The major components and design alternatives to be considered include the following:

- Influent Lift Station
- Primary Treatment
- Secondary Treatment
- Tertiary Treatment
- Disinfection
- Plant Water System
- Biosolids Treatment & Handling
- Plant Electrical
- Instrumentation & SCADA Systems
- Administration, Operations & Support Buildings
- Odor Control
- Site Improvements
- Plant Outfall
- Temporary facility

Section 1

Project Background

1.1 General

The City of San Marcos (“the City”) requests Statement of Qualifications from interested qualified Respondents to provide design and construction services of the new FM 1978 Water Reclamation Facility (“the Facility”), in accordance with the terms and Scope of Services specified in the associated Request for Qualifications (RFQ). This will be accomplished through a progressive design-build project delivery method.

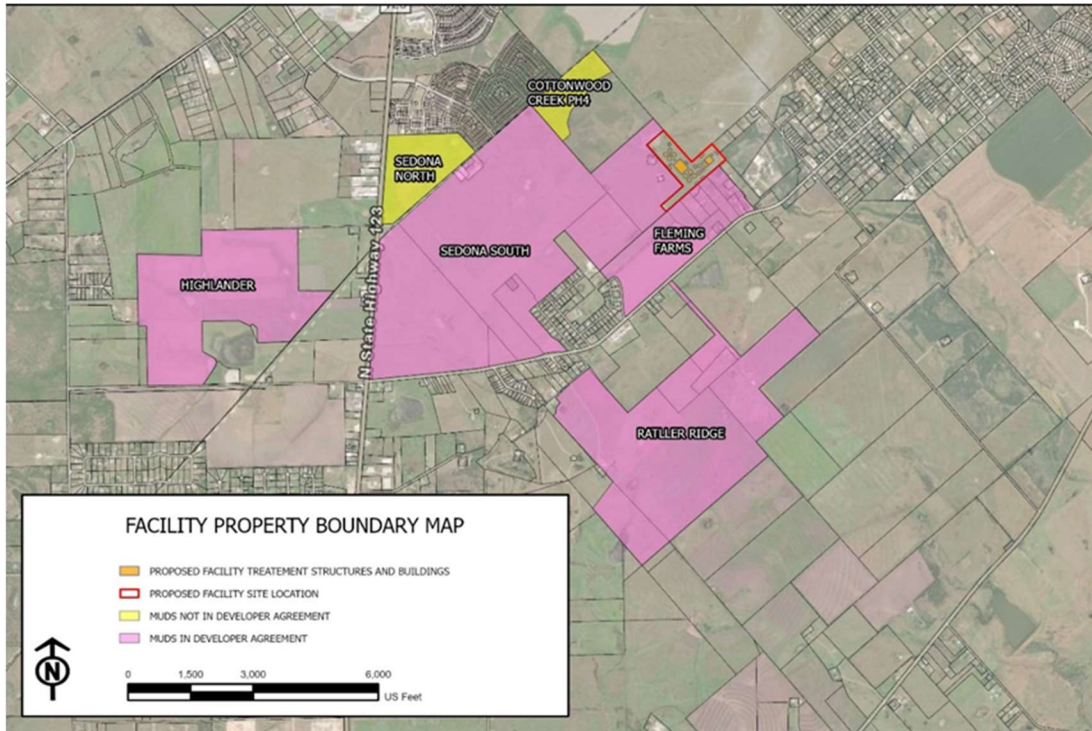
Preliminary planning has identified to need for a phased approach to construction of the Facility with an initial phase capable of treating a permitted ADF of at least 2.0 MGD. The need for future expansions to the Facility are expected based on the anticipated construction of additional residential developments, and total build-out of the proposed Facility is expected to be capable of treating a permitted ADF of 8.0 MGD.

This project involves a new site with no existing wastewater treatment capacity. Initial work outside of this project is being implemented by others to convey wastewater flows from areas planned for development to the proposed project site.

1.2 Project Drivers

Ongoing residential development around the City of San Marcos is increasing the need for wastewater treatment services in the area southeast of the City. To address this need and provide a regional solution, the City has entered into a wastewater services and facilities cost sharing agreement (Agreement) with residential housing developers. This Agreement defines responsibilities for the City to construct and operate a regional facility to provide wastewater treatment services and for residential housing developers to construct wastewater infrastructure necessary to collect and convey flows to the regional facility. **Figure 1-1** identifies the project site and residential development areas to be served by the proposed facility.

Figure 1-1 FM 1978 Water Reclamation Facility Site with Residential Development Areas



1.3 Project Objectives

The selected DB firm is expected to provide services as described in the scope of work for the purpose of meeting the following project objectives.

- Develop a regional wastewater treatment facility with an initial phase capable of treating an ADF of at least 2.0 MGD with an anticipated final phase capable of treating an ultimate ADF of 8.0 MGD. Each phase is expected to accommodate a peaking factor of 3.2 consistent with the City's wastewater master plan;
- Implement a phased approach that may require temporarily pumping and hauling untreated wastewater flows by the City and/or construction of a temporary package wastewater treatment plant by the DB;
- Construct a facility that is able to consistently and reliably meet all TPDES discharge permit requirements; and,
- Provide the best value to the City in all aspects of project delivery.

1.4 Project Budget and Funding

The City has currently estimated the proposed total project budget to be approximately \$75 million including all planning, acquisition, design, and construction services. This figure does not include the City's other Project costs, such as professional advisory services, property or access rights, site investigations, environmental studies, certain governmental approvals, etc.

Funding for this project will include a mixture of internal City budget funds, payments from developers based on the contractual LUE schedule, and may potentially include state and or federal

funding sources such as the Clean Water State Revolving Fund (CWSRF) or Water Infrastructure Finance and Innovation Act (WIFIA) programs. These state and federal programs do include the potential for applicable funding program requirements.

Section 2

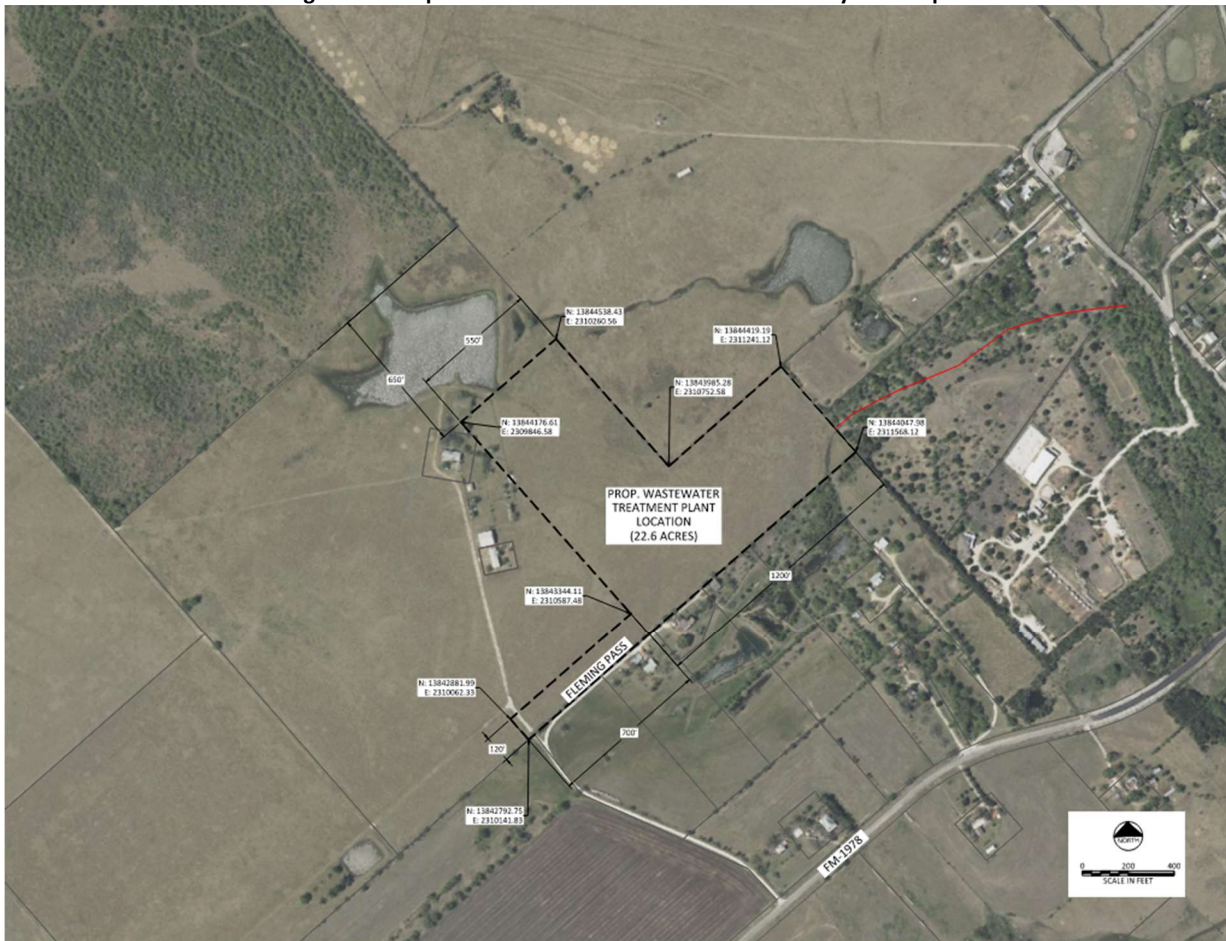
Design Criteria

The Design-Builder (DB) will need to consider the substance of this report in its entirety for the Project's scope of work as described in the RFQ. This report will serve as the starting point and the basis of design for this project.

2.1 Project Site

The Facility will be located on Fleming Pass Road near the address point of 538 Fleming Pass Road. Fleming Pass Road intersects FM 1978 approximately 1.75 miles northeast of SH 123, near San Marcos, TX. The selected project site is an "L" shaped parcel comprised of approximately 23 acres as shown below in Figure 2-1.

Figure 2-1 Proposed FM 1978 Water Reclamation Facility Site Map



The site has a 3.5% southwest to northeast slope with Cottonwood Creek located approximately 540 feet east of the site. The site is currently used as a grazing pasture for cattle with features including a stock pond at the westernmost end of the site and the York Fork tributary of the nearby Cottonwood

Creek at the northernmost end of the site. No known archaeological sites or artifacts have been discovered or identified. The site is owned by the City; however, it is located outside the current City Limits and ETJ of San Marcos in Guadalupe County

2.2 Design Horizon & Flow Projections

Initial wastewater flow projections are based on a regional wastewater services and facilities cost sharing agreement (Agreement) between the City and residential housing developers. This Agreement includes a projected implementation schedule of Living Unit Equivalents (LUEs) that correspond to the anticipated pace of residential construction. Regardless of the pace of residential development, the City is responsible for treating wastewater flows and the DB will propose both interim and permanent alternatives to meet demands.

As part of the developer agreement, the City is responsible for providing wastewater services starting September 1, 2025 or when the first residential structure is completed. The anticipated total year-end number of LUEs that the City is contractually obligated to service through the Agreement is demonstrated below in **Tables A-1 & A-2**.

Table 2-1 Annual LUE Absorption Schedule from City's Development Agreement

TOTAL NEW LUEs					
DEVELOPMENT / YEAR	Sedona South	Highlander	Fleming Farms	Rattler Ridge	TOTAL LUEs
2024	0	0	0	0	0
2025	200	0	160	120	480
2026	240	150	160	240	790
2027	250	180	14	240	684
2028	300	200	0	240	740
2029	350	225	0	240	815
2030	350	225	0	240	815
2031	350	225	0	240	815
2032	350	195	0	240	785
2033	255	0	0	69	324
TOTAL	2645	1400	334	1869	6248

Table 2-2 Cumulative LUE Absorption Schedule from City's Development Agreement

TOTAL NUMBER OF LUEs					
DEVELOPMENT / YEAR	Sedona South	Highlander	Fleming Farms	Rattler Ridge	TOTAL LUEs
2024	0	0	0	0	0
2025	200	0	160	120	480
2026	440	150	320	360	1270
2027	690	330	334	600	1954
2028	990	530	334	840	2694
2029	1340	755	334	1080	3509
2030	1690	980	334	1320	4324
2031	2040	1205	334	1560	5139
2032	2390	1400	334	1800	5924
2033	2645	1400	334	1869	6248
TOTAL	2645	1400	334	1869	6248

The LUEs are used as an estimation of the typical wastewater flow produced by a single-family residence and each LUE is equal to 200 gallons per day for the purposes of this project. Based on the actual progress of the residential developments, an updated LUE absorption schedule(s) will be maintained by the City and their Owner Advisor as the project progresses.

Preliminary planning based described above has identified to need for a phased approach to construction of the Facility with an initial phase capable of treating a permitted ADF of at least 2.0 MGD. The need for future expansions to the Facility are expected based on the anticipated construction of additional residential developments, and total build-out of the proposed Facility is expected to be capable of treating a permitted ADF of 8.0 MGD. Each phase is expected to accommodate a peaking factor of 3.2 consistent with the City's wastewater master plan. Anticipated wastewater flows are expected to be primarily sourced from residential developments. Some commercial and pretreated industrial wastewater flows are expected as residential developments expand in the future. Anticipated wastewater characteristics for influent to the proposed Facility are based on the City's wastewater master plan and are included below in Table 2-3.

Table 2-3 Expected Wastewater Influent Characteristics

Influent Characteristic	Average Load (mg/L)	Peak Load (mg/L)
CBOD ₅	218	225
TSS	172	270
NH ₃ -N	34	39
TKN	6	7

2.3 Effluent Quality & Discharge Permit

A TPDES permit application is currently being prepared with submittal to TCEQ expected by the end of 2024. Pre-application coordination with TCEQ has been ongoing, and the expected TPDES permit MCLs anticipated are shown in Table 2-4.

Table 2-4 Anticipated TPDES Permit MCLs

Effluent Characteristic	Expected MCL (mg/L)
CBOD ₅	10.0
TSS	5.0
NH ₃ -N	2.0
DO	4.0
TP	0.5

2.4 Regulatory Compliance

The selected DB firm will be responsible for coordinating with all applicable federal, state, county, City of San Marcos, and other governmental and regulatory agencies as required for project completion.

Environmental assessments for the project site are currently being conducted by others, and the DB will need to accommodate any applicable regulatory requirements into their design and construction standards.

2.5 Resiliency

The DB will consider the resiliency of all facility processes, structures, and equipment in the design of all project components.

2.6 Reuse

The DB will consider the potential for reuse of treated wastewater effluent for uses both inside and outside the Facility. This potential may include: direct or indirect potable reuse to supplement the City's water supplies; Type 1 or 2 reclaimed water as defined by TCEQ to reduce potable water demands; and, the reuse of treated wastewater effluent for the internal plant use. The DB will be responsible for all submittals to TCEQ that are necessary to obtain an authorization through 30 TAC Chapter 210 Use of Reclaimed Water, if this option is chosen by the City.

Section 3

Project Components

The proposed FM 1978 Water Reclamation Facility is anticipated to include major components associated with conventional activated sludge wastewater treatment processes; however, considerations will be made for other proposed solutions that can reliably and efficiently meet the project objectives.

Flow projections are based upon the LUE absorption schedule and are expected to be primarily sourced from residential developments. Some commercial and pretreated industrial wastewater flows are expected as residential developments expand in the future.

The DB will consider expansion in future phases when evaluating the Facility site layout, sizing of major components of the Facility, and handling of interim flows between implementation of phased expansions.

3.1 Interim Flows

Wastewater flows from residential developments are expected to occur prior to operation of the Facility. The DB will consider and propose alternatives to accept and ultimately treat initial wastewater flows that are conveyed to the project site prior to operation of the Facility. This will most likely require some pumping and hauling of raw, untreated wastewater for some interim period, and the City will consider the rental or purchase of necessary equipment to pump and haul these interim wastewater flows.

Designs for a package wastewater treatment plant are being finalized and the DB will consider implementing this package plant or another design as necessary to handle increasing interim wastewater flows prior to operation of the permanent Facility.

The DB will consider site improvements such as dual-lane access points for vacuum trucks and temporary infrastructure necessary to support pumping and hauling interim wastewater flows.

3.2 Influent Lift Station

3.2.1 General

The influent lift station will be required to receive wastewater flows at a point on the southeast portion of the project site. Specific siting of the influent lift station on the project site will be determined by the DB.

Wastewater flows from local residential developments are expected to be conveyed to a single point on the plant site by a 24-inch gravity main. The DB will consider the overall site topography, support for pumping and hauling of interim wastewater flows, and process configurations for placement of the influent lift station.

The DB will consider design alternatives without screens prior to the on-site influent lift station, innovative geometric configurations and design features, and a process that allows for continuous operation of the headworks while conducting maintenance and repairs.

Currently the City has no preference on manufacturers for influent lift station components.

3.2.2 Wet Well Design

The DB will consider and propose wet well design alternatives that are sized for anticipated final phase treatment capacity of 8.0 MGD.

3.2.3 Pump Systems

The design for pumping systems assumes a need to consistently deliver flow equal to at least the permitted flow times a peaking factor of 3.2. The peaking factor of 3.2 is consistent with the City's wastewater master plan.

3.2.4 Odor Control

The DB will consider alternatives for controlling odor from the lift station. The City has a preference for biological odor control processes, but is willing to consider other processes that can provide the best value for the City.

3.3 Preliminary Treatment

3.3.1 General

The DB will consider and propose design alternatives for sizing of the headworks to accommodate initial through ultimate design flows.

The DB will consider design alternatives without screens prior to the on-site influent lift station, innovative geometric configurations and design features, and a process that allows for continuous operation of the headworks while conducting maintenance and repairs.

The DB will consider and propose design alternatives for controlling odor at the headworks and primary clarifiers if included in the design.

3.3.2 Bar Screens

The DB shall consider bar screens design alternatives that include manual screening, bypass channel functionality, and other components to allow for minimal maintenance and operational needs.

3.3.3 Grit Removal

The DB shall consider grit chambers with spray washers to be included in the design.

3.3.4 Primary Clarifiers

The DB will consider the inclusion of primary clarifiers in the design as maximum contaminant levels for total phosphorus are anticipated to be required in the TPDES permit for the proposed treatment facility. The DB may propose other treatment processes such as anaerobic digestion for consideration by the City.

3.4 Secondary Treatment

3.4.1 General

The DB will not consider secondary treatment processes that utilize membranes. Proposed design alternatives will seek to balance energy efficiency with the ease of operation in both the selection of treatment processes and aeration equipment.

The City has a preference for a “plug flow” process design, however alternative treatment processes that provide the best value to the City may be considered.

3.4.2 Treatment Processes

The DB will consider and propose design alternatives that include the following non-exhaustive list of potential components:

- Conventional Activated Sludge: Barden Field
- SBR: [Sanitaire ICEAS advanced SBR | Xylem US](#)
- Carousel: [Carrousel® System - Ovivo Water](#)
- Other: [Aerobic Granular Sludge - Aqua-Aerobic Systems | Biological Treatment](#)

3.4.3 Aeration Blowers

The DB will consider and propose design alternatives including but not limited to air diffusers, mechanical aeration, multistage centrifugal blowers. The City does not currently have a preference for aeration equipment manufacturer(s).

3.5 Tertiary Treatment

Tertiary treatment may be necessary to meet TPDES permit requirements and potentially water reuse standards. The City’s operator has a preference for cloth media filters; however, the DB will consider and propose design alternatives that include the following non-exhaustive list of potential components for tertiary treatment:

- Cloth media such as [Aqua MegaDisk® - Aqua-Aerobic Systems | Cloth Media Filtration](#)
- Synthetic media such as [Hydrotech™ Discfilter | Veolia Water Technologies](#)
- Sand media.

3.6 Disinfection

The DB will consider disinfection methods that will meet all TPDES permit requirements and be consistent with the City’s preferences. The City will consider design alternatives recommended by the DB that can provide the best overall value.

For the purposes of discharging treated effluent, the City has a preference for UV disinfection methods. For the purposes of reusing treated effluent, the City has a preference for sodium hypochlorite.

3.7 Plant Water System

Potable water service is to be provided to the plant site through Crystal Clear Special Utility District (CCSUD). The City has initiated coordination with CCSUD

The estimated potable water service need for normal plant operations and fire suppression service is listed in Table 3-1.

Table 3-1 Anticipated Potable Water Service

	Flow (gpm)	Pressure (psi)
Normal Operation	20	35
Fire Suppression	1,500	20

The DB will consider the potential for internal plant reuse of treated wastewater to supplement potable water supplies.

3.8 Biosolids Treatment & Handling

3.8.1 General

The DB will consider and propose design alternatives with excess capacity and equipment as the City has identified a primary need for redundancy of biosolids treatment and handling. The City has a preference for belt conveyers rather than screw augurs, and would prefer an overhead centrifuge with space for loading trailer underneath.

Sludge from the City's existing wastewater treatment plant is disposed of at a certified landfill. This is currently managed through the City's existing contract with a third-party plant operator and the City has a preference for disposing of solids in a similar manner. The DB will consider and propose alternatives for biosolids storage with sufficient capacity to minimize the need to haul biosolids for disposal.

The DB will consider and propose design alternatives for controlling odor at all plant components related to biosolid treatment and handling.

3.8.2 Biological Process

The DB will consider and propose design alternatives for both aerobic and anaerobic digestion processes.

3.8.3 Dewatering Options

The DB will consider and propose design alternatives that include the following non-exhaustive list of potential components:

- TYPE TEX Centrifuge: [Aldec G3 - sludge dewatering equipment | Alfa Laval](#)
- Belt Press: [Dewatering, Thickening & Compost Equipment | BDP Industries](#)
- Sludge Press: [Thickening and Dewatering - PW Tech](#)

3.9 Plant Electrical

3.9.1 General

Electrical services will be provided by Bluebonnet Electrical Coop (BEC). Coordination with BEC has been initiated with electrical service expected at the proposed Facility site by late 2025. BEC is

expected to provide 12.47 KVA service to the project site and all electrical components, wiring, and systems will be designed to align with this electrical service.

The DB will consider and propose electrical components, wiring, and systems that are consistent with NEMA and IEEE standards as directed by the City to promote safety, energy efficiency, and provide the best value. The DB will not consider IEC standards.

The City has a preference of electrical related components as shown in Table 3-2 below.

Table 3-2 Electrical Preferences

Component	City's Preference
ATS	ASCO
Electrical Generators	Kohler or Cat
Fuel	Diesel
Gear Preference	GE, Powell, Siemens

3.9.2 Other Utilities

The DB will consider the needs for other utilities at the plant site such as natural gas, telecommunications, and any additional services as necessary for operation of the Facility.

3.10 Instrumentation & SCADA Systems

The DB will consider and propose a range of SCADA from minimal systems to provide basic plant operations and monitoring capabilities to a full suite of SCADA components that provide enhanced functionality and ease of operations. The City currently utilizes Ignition software and the DB will consider compatibility with existing SCADA systems in the proposed design alternatives.

3.11 Administration, Operations & Support Buildings

The DB will consider and propose design alternatives for all necessary administration, operations, and support buildings including those identified by the City. All buildings and structures should be in compliance with City standards and codes when possible unless otherwise directed by the City to maximize value.

The DB will consider and propose a process lab to be included in the administration or operations building(s). Equipment canopies or other structures may be considered in lieu of buildings depending on the applicable equipment.

The DB will be responsible for procuring any temporary buildings and/or trailers that will be necessary during construction phase activities.

3.12 Odor Control

The DB will consider and propose design alternatives to control odor for all major components of the Facility.

3.13 Site Improvements

The DB will consider and propose design alternatives that are compliant with all TCEQ and City of San Marcos development requirements including but not limited to those related to all-weather access road materials, landscaping

Identified site improvements include but are not limited to:

- Site fencing and security
- All-weather access roads
- Cut, fill, and leveling of site topography as needed to align with the hydraulic profile of Facility processes

The DB will consider the City's standards for landscaping at the Facility. The Facility will not be required to meet all applicable landscaping standards, however, they should be followed when possible unless otherwise directed by the City to maximize value.

3.14 Plant Outfall

3.14.1 General

The plant outfall will be consistent with the point of discharge as identified in the TPDES permit that the Facility will be subject to. A preliminary assessment has been conducted for the unnamed tributary located adjacent to the plant side and this report can be made available upon request.

Figure 3-1 FM 1978 Water Reclamation Facility Proposed Discharge Map



A hydraulic assessment of the unnamed tributary adjacent to the plant site has been conducted to determine the feasibility of its use as a receiving stream for the discharge of treated effluent. This assessment has indicated insufficient hydraulic capacity in this unnamed tributary and recommends

The DB will consider alternatives necessary to discharge treated effluent from the Facility in a manner consistent with the approved TPDES permit.

Section 5 Project Schedule

4.1 Anticipated Project Schedule

Milestone	Anticipated Date
PDB Phase 1 Notice to Proceed	May 16, 2025
PDB Phase 2 Notice to Proceed	February 10, 2026
Substantial Project Completion	August 18, 2028
Final Project Completion	November 17, 2028



Exhibit B – Phase 1 Scope of Services

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Phase 1 Services Scope of Work

The following is a listing of the Scope of Services to be provided by Burns & McDonnell Engineering Company, Inc., (Design-Builder) for the City of San Marcos, TX (Owner), for the FM 1978 Water Reclamation Facility Progressive Design Build Project.

Project Description

The proposed FM 1978 Water Reclamation Facility is based on the initial design criteria laid out in the Basis of Design Report (BODR) provided in the Request for Qualifications (Appendix A, by Ardurra). The facility will be designed for a nominal capacity of 2.0 million gallons per day (MGD) for average day conditions with a 3.2 hydraulic peaking factor. The design is anticipated to include the major systems and structures as approved by the Owner for proper functioning of the water reclamation facility as defined in the BODR. Major deliverables will generally include issuance of Phase 1 Design Package(s) to Texas Commission on Environmental Quality (TCEQ) for review and development of the Phase 2 proposal(s) as outlined in the following sections. The target timeline for the Phase 1 Tasks is shown in Figure 1.

The Phase 1 Design Packages will be progressed to align with the development of the anticipated Phase 2 Guaranteed Maximum Price Proposals (GMPs) outlined below. These are structured to support the progressive design build project approach and accommodate the project schedule. Design Package components listed below are not final and may be adjusted as the project develops.

- GMP No. 1: Interim Wastewater Management
 - o Due to the compressed timeline to have an interim wastewater management plan in place, once the alternatives analysis workshop is completed, this design package is expected to progress directly to a 60% pre-final design package.
- GMP No. 2: Early Works Package
 - o Long-lead Process Equipment and Electrical Equipment
 - o Early Earthwork
 - o Permanent Storage Tank
 - o Influent Pump Station Wet Well
 - o Secondary Treatment Basins
- GMP No. 3: New Water Reclamation Facility (Balance of Plant)
 - o Remaining Process and Electrical Equipment

- Construction of remaining plant structures and civil/site work
- Commissioning and Start-up

Task 1 – Interim Wastewater Management

The Design-Builder will:

1. Consider and propose up to two (2) alternatives to accept and ultimately treat initial wastewater flows that are conveyed to the project site prior to operation of the Facility. The Owner is currently contractually obligated to provide wastewater service for flows delivered to the Project site by others by March 1, 2026.
2. Alternative development will include:
 - a. Considerations for site improvements such as dual-lane access points for vacuum trucks and temporary infrastructure necessary to support pumping and hauling interim wastewater flows to the Owner's existing wastewater treatment plant. The Owner will consider the rental or purchase of necessary equipment to pump and haul these interim wastewater flows to the Owner's existing wastewater treatment plant.
 - b. Considerations for implementing a package plant or another design solution as necessary to handle increasing interim wastewater flows prior to operation of the permanent Facility.

Task 1 Deliverables:

- Alternatives analysis and technical memorandum for interim wastewater management, including decision points for implementation of package plant
- 60% Pre-Final Design Package for selected interim wastewater management approach

Task 1 Assumptions:

1. TCEQ discharge permit will not be required for implementation of pump and haul solution
2. TCEQ will provide review of temporary management plan prior to Owner's implementation of pump and haul operations.
3. The 60% design for Task 1 will be developed to sufficient detail to support procurement and development of the GMP No. 1 Proposal. Interim deliverables will not be provided in the interest of maintaining the project schedule.
4. Platting for the wastewater treatment plant site has been included in Phase 1 design services. The extent of the Traffic Impact Analysis is limited to submission of the

Task 2—Project Management

The Design-Builder will:

1. Participate in a Phase 1 Project kickoff meeting. Participants shall include: Owner staff, Owner Advisor, and Design-Builders key personnel.
2. Participate in a partnering workshop with the Owner and Design-Builder Key Personnel. Participants shall include: Owner staff, Owner Advisor, and Design-Builders key personnel.
3. Within 21 days of the Phase 1 Notice to Proceed (NTP), provide a Draft Project Management Plan that describes the PDB approach to Phase 1 services. The format and level of detail for all documents, tools, and processes shall be acceptable to the Owner. The plan will specifically address:
 - Team organization necessary to deliver Phase 1 services
 - Communication protocols, document management and control, decision process, and dispute resolution matrix
 - Proposed Cost Model format and organization (agreed-upon Cost Model format and organization will be used as the basis for the Baseline Cost Model, interim updates, updates at each defined design milestone, and each GMP)
 - Phase 1 schedule including :
 - Dates of Deliverables listed in the Scope of Services
 - Key milestones
 - Critical path items
 - Proposed Project schedule format and structure
 - Proposed format and process for risk management (e.g., format of risk register, process, etc.)
 - Proposed format and structure for design, cost, and schedule trend management process for the Owner to provide input during Phase 1
 - Building information modeling (BIM)/technology standards and processes for collaborating
 - Solicitation and procurement process for compliance with any potential federal or state funding program requirements
 - Table of contents for all plans defined in subsequent tasks
 - Procurement Plan
 - Permitting and Approvals Plan
 - Quality Management Plan

- Field Investigation Plan
 - Risk Register
 - Environmental Management Plan (Phase 2)
 - Site Logistics Plan (Phase 2)
 - Construction Emergency Response Plan and Site Safety Plan (Phase 2)
 - Startup & Commissioning Plan (Phase 2)
4. Based on the Owner review and feedback, submit Final Project Management Plan within two weeks of receiving the Owner comments.
 5. Participate in biweekly progress meetings to review Project status. The Owner may modify this frequency throughout the Project as necessary.
 6. Submit monthly invoices in compliance with all Owner requirements; report Phase 1 planned versus actual progress monthly.

Task 2 Deliverables:

- Draft and Final Project Management Plan
- Progress Meeting Minutes
- Monthly Invoices/Progress Reports

Task 2 Assumptions:

- Approximately 9-month Phase 1 duration
- Meeting minutes will be reviewed by Owner and Owner's Advisor within one (1) week of distribution. After one (1) week, if no comments or changes have been requested, the minutes are presumed correctly recorded and will be finalized.

Task 3—Alternative Analyses and Technical Workshops

The Design-BUILDER will perform an analysis of various technical alternatives to allow the Owner to make decisions necessary to refine the scope of the Project prior to Engineering Design Development. The biological treatment process will be the primary focus of the alternatives analysis effort. The major treatment processes that will be evaluated include:

- Biological treatment process alternatives and overall treatment plant process alternatives including:
 - Preliminary/Primary Treatment
 - Biological Treatment (up to 4 alternatives for initial Options Workshop and 2 alternatives for detailed Alternatives Analysis)
 - Filtration
 - Disinfection
 - Dewatering & Solids Handling

- Alternatives will be evaluated on combination of capital cost, operational cost, lifecycle cost, and flexibility of expansion.

The Design-Builder shall schedule, prepare for, and conduct up to 2 technical workshops and meetings with the Owner throughout Phase 1. These technical meetings and workshops are in addition to the progress meetings required under Task 2. The scheduling and discussion topics for these workshops shall be jointly agreed upon between the Owner and the Design-Builder and shall be intended to facilitate and support the Owner decision-making with respect to the Project configuration and design, permitting, and construction planning progression.

Task 3 Deliverables:

Deliverables for alternatives analysis should be aligned with the Owner review and decision-making requirements.

1. Technical Progress Report evaluating the feasibility of design alternatives including estimates of capital, operations, and maintenance costs for each alternative
2. Technical workshop agendas and meeting minutes (including presentation materials)
3. Memoranda summarizing and documenting alternatives and decisions made in the alternative analysis.

Task 3 Assumptions:

1. Meeting Minutes provided by Design-Builder will be reviewed by Owner and Owner's Advisor within one (1) week
2. Technical Memos will be reviewed and comments provided by Owner and Owner's Advisor within two (2) weeks
3. An initial Options review Workshop will be held to select the preferred alternatives to be carried forward for more detailed Alternatives Analysis. It is anticipated that no more than two process alternatives will be evaluated in detail prior to final approach selection and advancement to 30% design activities.

Task 4—Permitting and Approvals

Task 4.1—Permitting and Approvals Plan. The Design-Builder shall identify, consult with, and analyze requirements of governmental authorities having jurisdiction to approve the portions of the Project described by Design-Builder, including, TCEQ, Guadalupe County, City of San Marcos, building permits and any other agencies as

needed. The Design-Builder shall develop a draft Project Permitting and Approvals Plan consistent with Exhibit A and including any other permits/approvals identified by the Design-Builder. The plan shall identify/address all permits and approvals including those being obtained by the Owner. The plan shall include a detailed schedule for obtaining permits and approvals during Phase 1 and Phase 2 and for providing timely input and deliverables by the Design-Builder for the permits being obtained by the Owner, and for the Owner for permits being obtained by the Design-Builder. For each identified permit/approval, the plan shall include the following information:

- The name of the permit/approval
- Name and contact information for the authority having jurisdiction (AHJ) responsible for issuing the permit/approval
- Responsible entity for developing the permit application and supporting technical information
- A summary of application and supporting technical requirements for each permit/approval
- A description of linkages to other permits/approvals and to decisions by the Owner and/or Design-Builder
- Expected AHJ review and approval durations
- Permit/approval tracking procedures and responsibilities
- Protocols for incorporating permit/approval conditions into design and construction

The Design-Builder shall provide the draft plan to the Owner for review and shall submit it within 30 days of the NTP. Within 14 days following the receipt of the Owner's comments, the Design-Builder shall revise the plan to address Owner's comments.

The Design-Builder shall update the plan as Project development activities progress if such progression results in identifying additional permits or changes to the permitting requirements and durations. In addition, an updated Permitting and Approvals Plan shall be provided to the Owner along with the following documents:

- 30% Design Package
- 60% Design Package
- GMP(s) (in the form of Permit Responsibility Contract Exhibit)

Task 4.2—Secure Permits and Approvals Prior to Contract Price Amendment. The Design-Builder shall obtain, or support the Owner in obtaining, all permits/approvals that are required in advance of the Contract Price Amendment to support Project progression. The Design-Builder shall:

- Actively monitor the status of permit/approval processing and respond to requests for clarification, additional information, and application revisions by the approving entities.
- Attend meetings with the approving entities to expedite permit processing. Notify the Owner in advance of such meetings for possible Owner attendance.
- Report to the Owner once permits or approvals have been obtained.

Task 4 Deliverables:

- Draft Permitting and Approvals Plan
- Updated Permitting and Approvals Plans at 30% and 60% Design Milestones
- Permit Responsibility Contract Exhibit(s)

Task 4 Assumptions:

- Design-BUILDER's responsibility to support Owner in obtaining Owner-provided permits is limited to providing required technical information for the permit application. The Owner will retain responsibility for development of permit applications, fees, and communication with permitting authority.
- Design-BUILDER will conduct up to three (3) meetings in Phase 1 with TCEQ to discuss the proposed temporary systems (GMP 1), Early Works Package (GMP 2), and Balance of Plant (GMP 3) packages prior to submittal of plans and specifications to TCEQ for formal review. Failure by Design-BUILDER to provide required information resulting in additional meetings shall not constitute grounds for a change in price or schedule.
- Permit approvals that are not required prior to the GMP(s) will be included in the GMP Scope(s) of Work, as needed.
- Permits and other environmental approvals (e.g. NEPA reviews) required by WIFIA and/or CWSRF funding are not included in this scope.
- Submission of TPDES permit applications for the temporary package plant and permanent plant are the responsibility of the Owner and are not included in this scope.

Task 5—Survey and Field Investigations

The Design-BUILDER may rely on any prior engineering interpretations, opinions, or recommendations that may be contained within the existing site information provided and will request additional clarification as needed from the Owner. The Design-BUILDER will identify, plan, and perform additional survey, including topographical and surface information, and field investigations needed to support further design development, validate existing site conditions, support permit applications, develop maintenance of

plant operation plans, identify subsurface conditions, and/or assess the condition of existing facilities. The Design-Builder will develop and submit a proposed Field Investigation Plan, which shall be reviewed and approved by the Owner prior to execution.

Task 5 Deliverables:

- Proposed Field Investigation Plan
- Site survey
- Early geotechnical reports

Task 5 Assumptions:

- Field Investigation Plan to include survey, geotechnical and existing site conditions
- Any site encumbrances will be identified by the Owner.
- Owner will procure all required rights-of-entry.
- Owner will provide access to site and all required temporary and/or permanent easements.

Task 6—Engineering Design Development

Task 6.1—Preliminary Design Report (PDR) Package. The Design-Builder shall:

1. Review the Project requirements and consult with the Owner as appropriate to further clarify requirements for the Project including Owner's budget, review of Owner's Project criteria, and available Owner-furnished information.
2. Evaluate the Project reference documents, including, but not limited to, the Owner's Project criteria and, after consultation with Owner, recommend to Owner any modifications to such documents which in Design-Builder's judgment would benefit the Project.
3. Prepare and submit a Draft PDR Deliverable Package, which shall include:
 - Updated Owner's Project Criteria
 - Preliminary Design Report
 - Reports, memoranda, schematic layouts, sketches, design criteria, and appropriate exhibits indicating the applicable requirements, considerations involved, and recommended alternate solutions
 - Topographic survey of the entire Project site
 - Preliminary geotechnical information
 - Baseline Design-Build Cost Model
 - Baseline Design-Build Schedule

- Document of meetings and discussion with Owner regarding design decisions
- 4. For the PDR Deliverable Package, the Design-Builder shall: submit the draft for review; schedule and facilitate a review meeting with Owner to present the package and an overview of the initial Cost Model and Project schedule; and respond to Owner review comments.
- 5. The Design-Builder shall maintain and update the PDR as necessary through 60% design. The Design-Builder shall submit a final PDR Package with the 60% Design Package as described in Task 6.3.

Task 6.2—30% Design Package. After completion of the PDR, the Design-Builder shall proceed with further development and refinement of the design, including development and submittal of a 30% Design Package to the Owner including:

- 30% Drawings
- 30% Specifications Table of Contents
- 30% Design-Build Cost Model
- 30% Design-Build Schedule
- 30% Procurement and Buyout Plan
- Updated Risk Register for Phases 1 and 2

Task 6.3—60% Design Package. After completion of the 30% Design Package, the Design-Builder shall proceed with further development and refinement of the design, including development and submittal of a 60% Design Package to the Owner for review and comment. The 60% Design Package shall include all documents, drawings, and specifications required under this task or identified as being submitted along with the 60% design under other tasks. The 60% Design Package shall include:

- Proposed Revisions to Owner's Project Criteria
- Final Adjudicated and Accepted Responses to Owner's 30% Review Comments
- Final PDR Deliverable Package
- 60% Drawings
- 60% Specifications
- Draft Phase 2 Construction Emergency Response Plan and Site Safety Plan
- Draft Phase 2 Quality Management Plan
- Draft Preliminary Commissioning and Startup Plan
- Draft Preliminary Acceptance Test Plan (Draft Acceptance Test Plan shall identify any proposed changes to the Project performance standards included in Attachment E of the RFP template)
- Draft Maintenance of Plant Operations Plan
- 60% Design-Build Cost Model (including drawdown schedule)

- Design-Builder Proposed Contingency Justification (based on updated construction risk register)
- 60% Design-Build Schedule
- 60% Procurement and Buyout Plan

Design Development by Discipline:

Discipline	Included Design Elements	Approximate % Progressed
Civil/Site	Site plan with grading and pavement, yard piping and stormwater elements, pipe and valve schedules, and basic earthwork and fencing technical requirements. Profile of gravity sewers.	60%
Structural	Plan and section drawings of each structure, basic concrete structure/mix design, type of framing for metal structures, foundation type, size, and depth information.	55%
Architectural	Building materials of construction and construction type, identification of building code requirements, plan and elevation drawings for buildings, coating requirements, and door and window schedule.	55%
Mechanical HVAC/Plumbing	U-value and heat load calculations, establish required ventilation rates for new buildings, general arrangement drawings of equipment, fire protection requirements, equipment schedule and high-level sequence of operation.	40%
Process	General arrangement and section drawings of process equipment, process flow diagram, hydraulic profile, major equipment list and specifications for major process equipment for the purposes of early procurement .	70%
Electrical (Power)	Preliminary one-line diagrams and load calculations, major power system routing from Owner provided power supply and major duct bank siting, backup power requirements, schedule of major equipment, technical requirements lightning protection, site lighting, and security, and specifications for long lead major electrical equipment for the purpose of early procurement.	40%

Instrumentation & Controls	Process and instrumentation drawings and list of I/O points, draft instrumentation details, preliminary instrumentation device schedule, preliminary system architecture diagram, and draft sequence of operations.	50%
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Task 6.4—Baseline Document Design Package(s). For each Phase 2 Contract Price Amendment included with the GMPs, the Design-Builder shall assemble the applicable design drawings, specifications, and other information necessary to document the basis of the GMP. The Baseline Document Design Package(s) will incorporate the adjudicated Owner review comments from all prior Design Package submissions.

Task 6 Deliverables:

- Draft PDR Package
- Owner Draft PDR Package Comments and Adjudicated Design-Builder Responses
- 30% Design Package
- 60% Design Package
- Baseline Document Design Package(s)

Task 6 Assumptions:

- Engineering design will be done in 30% and 60% packages
- Specifications included in GMP(s) for early procurement of long-lead engineered equipment and electrical equipment will be procurement-ready specifications
- Non-procurement-ready specifications provided to support GMPs will be included as one-line specifications in the form of a Work Description

Task 7—Preconstruction Services

Task 7.1—Cost Estimating. Throughout Phase 1, the Design-Builder will develop and maintain the Project Cost Model using industry standard cost-estimating software. As part of this task, the Design-Builder will complete the following:

1. Develop and submit a Conceptual (Baseline) Project Cost Model based on the PDR design documents. The Baseline Project Cost Model shall identify Project scope and include a preliminary work breakdown structure (WBS) needed to complete the Project and estimate the costs, duration, and sequence of tasks to the Project Team. The Cost Model shall be based on a labor and material type cost estimate, historical metrics, or parametric comparisons consistent with

Association for the Advancement of Cost Engineering (AACE) practices. The Design-Builder should include the following with the Baseline Project Cost Model package:

- Baseline Project Cost Model
 - Baseline Schedule
 - Draft Site Logistics Plan
 - Draft Construction Emergency Response Plan and Site Safety Plan
 - Draft Quality Management Plan that ensures conformance to the Contract Documents
 - Draft Environmental Management Plan detailing programs for a stormwater pollution prevention plan and handling other environmental issues (dust, on-site chemicals and fuel, etc.) if required to comply with permits and regulations applicable to the Project
2. Subsequent to submission of the Conceptual (Baseline) Cost Model, hold review workshops with Owner to review Design-Builder's observations and recommendations. Attendees include: project manager, engineering manager, preconstruction manager, lead estimator, and construction manager, along with any other necessary personnel.
 3. In conjunction with the Owner's initial risk register, develop and maintain a Project risk register during Phase 1. Conduct regular project meetings with the Owner to update risks, mitigation activities, and potential cost and schedule impacts. Risk register shall be used to inform and develop appropriate and Project-specific contingency values throughout Phase 1 development.
 4. Develop and submit an updated Cost Model at design milestones for Owner's formal evaluation and review as noted below:
 - a. Conceptual Cost Model –based on the early concept design (PDR) including early identification of risk factors that could affect GMP development, construction schedule, permitting, package treatment design and construction and phasing of GMPs. Start identifying Items to Account for between Design Progression milestones.
 - b. 30% Design-Build Cost Model—based on 30% design, including identification of construction phasing concepts that would result in schedule savings. Identify any material or equipment prepurchase and their cost(s). Identify risks and benefits associated with construction phasing concepts
 - c. 60% Design-Build Cost Model
 5. Develop and maintain a Design Trend Log and Cost Trend Log. These logs may be separate or combined with other decision logs based on the needs of the Project Team. These logs will track all potential cost-saving proposals, value

engineering concepts, risk mitigation concepts, Owner-approved changes ultimately approved by the Owner, and all major changes from the Baseline Cost Model that arise as part of the design evolution process. For each item, Design-Builder shall identify options for resolving the change and, in a timely fashion, estimate the cost and schedule impact associated with adopting the change to support evaluation of the change. The log will allow for consistent tracking of deviation from the Project baseline cost and schedule. Items will be reviewed with the Owner monthly during design. Promptly advise the Owner through the Cost Trend Log when the Cost Model is trending above the Owner's available funding limit.

6. Subsequent to each formal Cost Model submission, work with the Owner to review and reconcile comments and identify and update Project risk allocations and usage.

Task 7.2—Design-Build Schedule. The Design-Builder will:

1. Develop and submit a baseline Design-Build schedule. Incorporate permit application submittals, issuance, and compliance into baseline schedule. The baseline design-build schedule shall be a critical path method (CPM) schedule and will identify critical path activities, including long-lead equipment procurement items, if any, and provide recommendations to the Owner to optimize the schedule and prevent or minimize Project delivery impacts, including consideration of multiple work packages, early equipment procurement, and other cost and schedule mitigation approaches, if required by the Project schedule. The Design-Builder shall demonstrate and justify the basis for all work packages or phased construction price proposals.
2. Submit updated CPM schedule at the following design milestones for formal evaluation and review by the Owner:
 - 30%
 - 60%
 - GMP(s)

Task 7.3—Constructability Reviews. The Design-Builder shall provide constructability reviews of the design as it progresses and at the 30% and 60% design submittal milestones. As part of design review meetings, the Design-Builder shall highlight potential constructability issues, cost- and schedule-saving alternatives, Design-Builder's recommendations, and conduct follow-up activities as needed to resolve issues.

The Design-Builder will provide formal value engineering and constructability reviews at the 30% and 60% design milestones. The Design-Builder will also compile comments in a tabular format acceptable to the Owner with supporting documentation (descriptions, sketches, drawings, Bluebeam markup, PowerPoint presentation, etc.) as necessary to convey intent.

Task 7.4—Procurement Plan. The Design-Builder will:

1. Submit a Draft Procurement and Buyout Plan within 21 days of issuance of the 30% design deliverable, addressing the following:
 - Describe approach for packaging the work and identify work that the Design-Builder intends to self-perform. Identify and recommend which work, if any, should be procured through value-based competitive selections instead of low-bid selection.
 - Describe approach to potential federal and state funding programs requirements related to solicitation and/or procurement of disadvantaged, minority, or other similarly certified firms, subcontractors, vendors, and suppliers.
 - Describe approach to engage and encourage participation from local firms.
 - Describe the criteria (qualifications and price) that will be used to analyze competitive bids for each element of the work.
 - Procurement plan will be in compliance with Texas Government Code Chapter 2269.
2. Update with each design deliverable.
3. Develop bid packages that align with the proposed sequence of work for efficient execution and to encourage market interest.
4. Actively "premarket" the Project with local trade subcontractors, equipment vendors, and material suppliers to increase awareness and interest in submitting competitive bids and quotes. Execute prequalification activities where appropriate.
5. Owner shall provide input and feedback on each iteration of Draft Procurement and Buyout Plans.

Task 7.5—Funding Option Impact Analysis. The Design-Builder will provide analysis of project cost and schedule impacts associated with the selection of up to two (2) funding sources anticipated to be WIFIA and CWSRF loans. The Design-Builder will review the project provisions and requirements that are associated with each funding option and identify cost and schedule impacts including Design-Builder's administrative effort, Davis-Bacon wage requirement costs, procurement costs, Build America, Buy

America (BABA) provisions or similar domestic sourcing requirements, and disadvantaged business enterprise (DBE) or similar procurement requirements. Design-Builder will provide a preliminary technical memorandum summarizing the anticipated cost and schedule impacts of each funding source option.

Task 7 Deliverables:

- Baseline Project Cost Model Package
- Design and Cost Trend Logs
- Draft Procurement and Buyout Plans

Task 7 Assumptions:

- The pre-qualification process, solicitation and ultimate selection of vendors and subcontractors will be jointly agreed by the Owner and the Design-Builder
- GMPs may include a combination of bid package solicitations and estimate build-ups for various components of the Work.
- Self-performed packages for the Work will be built up on an open-book basis for labor and materials.

Task 8 - Phase 2 Price Proposal (GMP) Development

1. Prepare a detailed GMP Proposal, meeting the requirements described in ARTICLE 1.3 of the Progressive Design Build Agreement with an open-book line-item cost breakdown on subcontracted and self-performed work, contingency (with its basis), and any clarifications, assumptions, or qualifiers based on the 60% design milestone(s).
2. Lead collaborative review of GMP Proposal. Assume **multiple 4-hour** workshops with the Owner to review details of Proposal, including, but not limited to, results of procurement activities, differences from previous Cost Models, work approaches that serve as the basis for production rates and activity durations, basis for proposed contingency, etc. Assume participation by the Design-Builder's major subcontractors (if part of the Project Team), as appropriate.

Task 8 Deliverables:

- GMP Proposal(s)

Task 8 Assumptions:

- The Owner has an encumbrance schedule that must be followed prior to required City Council authorizations to issue debt for any GMP(s)

- Multiple workshops, up to 4-hours in duration

General Assumptions

1. Design-builder will rely on information provided by Owner as complete and accurate. If Owner's information is incomplete or inaccurate, Design-Builder will receive a change in scope with associated change in time and fee.
2. For Phase 1 designs, should any design provided prior to the Contract Price Amendment fail to meet Design-Builder's standard of care, Design-Builder shall, within one year from completion of its design services, reperform without reimbursement the professional services necessary to correct the failure as Owner's sole remedy.
3. The Owner will provide any additional known federal, state or local permitting, design or procurement provisions that will be applied to this scope caused by requirements of additional funding sources no later than the 30% design milestone established in the Design-Builder's project schedule submittal that is included as part of Task 2 Project Management Plan deliverable.

Owner Responsibilities

1. Owner shall submit TPDES permit applications for the permanent and temporary facilities through their Owner Advisor.
2. Owner will provide previously completed geotechnical and survey investigation reports completed at the Project Site.
3. The following items are assumed to be provided by the Owner:
 - Conceptual and/or design associated with utilities, roads, and other site services identified that are required for a complete and operable WWTP.
 - Utilities and site access listed below, beyond the perimeter of the site. Connection points and details will be designed as part of Phase 1 services.
 - Potable water
 - Power
 - Internet
 - Natural Gas
 - Collections systems
 - Easement and/or right of way procurement.
4. Owner will provide communication and coordination with the developers. Owner will provide updated developer flow forecasts.
5. Owner will provide Owner's operations personnel or contractor for review and comment on the design deliverables as well as attendance at design workshops when Owner deems appropriate.
6. Owner shall have a maximum 14 calendar days from receipt by Owner to review each deliverable and any updates thereto and provide comments to the Design-

Builder. If a reduced review time for specific deliverables is required, it will be identified in the CPM project schedule or elsewhere in this document.

7. Owner will provide access to site and all required easements.
8. Owner is solely responsible for any re-use or alteration of design Work Product not under the supervision of Design-Builder.

Phase 1 Services

The scope and anticipated schedule of PDB services for which pricing is required is defined in Appendix B of this RFP. Proposer shall include rates and estimated hours for Key Personnel and additional staff that will support Key Personnel during Phase 1 in the table below. Additional sheets may be attached as needed.

Key Personnel	Rate (\$)	Hours	Total (\$)
<i>Please see attached table</i>			
Additional Staff	Rate (\$)	Hours	Total (\$)
Expenses	-	-	
Total			

Tasks	Schedule Duration	Hours	Fee (\$)
1 – Interim Wastewater Management	20 weeks	476	\$86,837.86
2 – Project Management	52 weeks	1,027	\$187,358.15
3 – Alternatives Analyses and Technical Workshops	8 weeks	530	\$96,689.21
4 – Permitting and Approvals	52 weeks	390	\$71,148.66
5 – Survey and Field Investigations	8 weeks	8	\$1,459.46
6 – Engineering Design Development	52 weeks	12,876	\$2,349,000.47
7 – Preconstruction Services	48 weeks	2,651	\$483,676.83
8 – Phase 2 Price Proposal Development	12 wks (cumulative)	504	\$91,945.96
Expenses	-	-	\$150,000.00
Total			\$3,518,405.00

Proposer shall attach a fee schedule for all expected personnel classifications.

Please see attached fee schedule

PHASE 1 SERVICES

Key Personnel	Rate (\$)	Hours	Total (\$)
Hillary Fontenot	\$228	700	\$159,600
Adam Bogusch	\$217	780	\$169,260
Kevin Devoto	\$234	505	\$118,170
Jeff Keller	\$217	200	\$43,400
Glen Swann	\$234	50	\$11,700
Bryan Canzoneri	\$245	200	\$49,000
Caitlin Prim	\$204	436	\$88,944
Jason Garder	\$204	285	\$58,140
Kevin Waddell	\$234	425	\$99,450
Total		3,581	\$797,664
Additional Staff	Rate (\$)	Hours	Total (\$)
Coordinator I	\$137	1,803	\$244,271
Coordinator II	\$148	2,521	\$373,108
Assistant I	\$162	2,555	\$407,430
Assistant II	\$179	2,691	\$481,689
Staff I	\$189	2,594	\$490,266
Staff II	\$204	1,042	\$212,568
Associate I	\$208	866	\$180,128
Associate II	\$211	582	\$122,802
Principal	\$217	227	\$49,259
EXPENSES			\$150,000
TOTAL LABOR		18,462	\$3,518,405

Tasks	Schedule Duration	Hours	Fee (\$)
1 - Interim Wastewater Management	20 weeks	476	\$86,846.54
2 - Project Management	52 weeks	1,027	\$187,376.88
3 - Alternatives Analysis and Technical Workshops	8 weeks	530	\$96,698.88
4 - Permitting and Approvals	52 weeks	390	\$71,155.78
5 - Survey and Field Investigations	8 weeks	8	\$1,459.61
6 - Engineering Design Development	52 weeks	12,876	\$2,349,235.34
7 - Preconstruction Services	48 weeks	2,651	\$483,676.83
8 - Phase 2 Price Proposal Development	12weeks (cumulative)	504	\$91,955.16
Expenses			\$150,000.00
Total		18,362	\$3,518,405

RATE/FEE SCHEDULE

Level	Position Classification	Rate
Level 8	Coordinator I	\$137
Level 9	Coordinator II	\$148
Level 10	Assistant I	\$162
Level 11	Assistant II	\$179
Level 12	Staff I	\$189
Level 13	Staff II	\$204
Level 14	Associate I	\$208
Level 15	Associate II	\$211
Level 16	Principal	\$217

NOTES:

1. Position classifications listed above refer to the firm's internal classification system for employee compensation. For example, "Assistant", "Staff", etc., refer to such positions as "Assistant Engineer", "Staff Engineer", etc.
2. The services of contract/agency and/or any personnel of a Burns & McDonnell subsidiary or affiliate shall be billed to Owner according to the rate sheet as if such personnel is a direct employee of Burns & McDonnell.
3. The rates shown above are effective for services through Phase 1 services, and are subject to revision thereafter.

Figure 1. Phase 1 Target Timelines

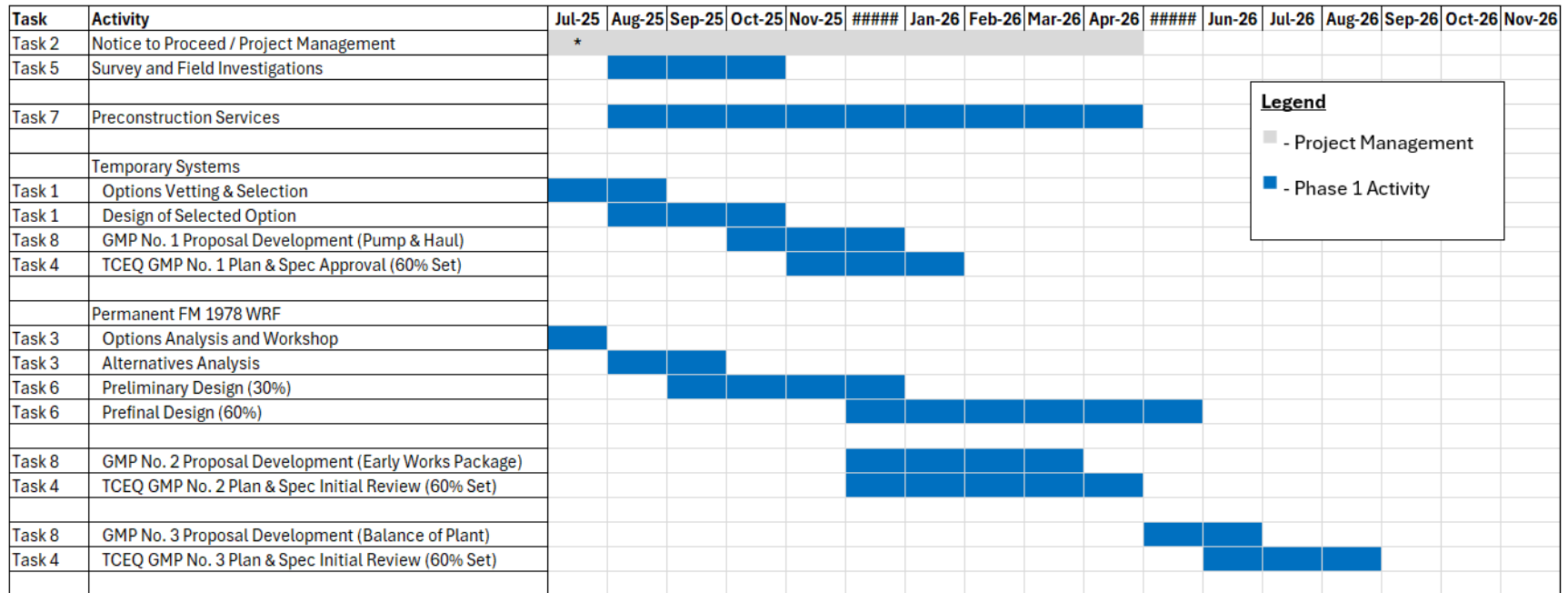


Exhibit C
Owner's Insurance Requirements of Design-Builder

1. Specific Insurance Requirements

The following insurance shall be maintained in effect with limits not less than those set forth below at all times during the term of this Agreement and thereafter as required:

Insurance	Coverage/Limits	Other Requirements
Commercial General Liability (Occurrence Basis)	<p>Amounts of coverage shall be no less than:</p> <ul style="list-style-type: none"> ▪ \$2,000,000 Per Occurrence ▪ \$4,000,000 General Aggregate ▪ \$4,000,000 Products/Completed Operations Aggregate ▪ \$2,000,000 Personal and Advertising Injury ▪ Designated Construction Project(s) General Aggregate Limit 	<ul style="list-style-type: none"> ▪ Current ISO edition of CG 00 01 ▪ Additional insured status shall be provided in favor of Owner Parties on a combination of ISO forms CG 20 10 04 13 and CG 20 37 04 13. ▪ This coverage shall be endorsed to provide primary and non-contributing liability coverage. It is the intent of the parties to this Agreement that all insurance coverage required herein shall be primary to and will not seek contribution from any other insurance held by Owner Parties, with Owner Parties' insurance being excess, secondary and non-contributing. ▪ Stop Gap coverage shall be provided if any work is to be performed in a monopolistic workers' compensation state. ▪ The following exclusions/limitations (or their equivalent(s), are prohibited: <ul style="list-style-type: none"> ○ Contractual Liability Limitation CG 21 39 ○ Amendment of Insured Contract Definition CG 24 26 ○ Limitation of Coverage to Designated Premises or Project, CG 21 44 ○ Exclusion-Damage to Work Performed by Subcontractors on Your Behalf, CG 22 94 or CG 22 95 ○ Exclusion-Explosion, Collapse and Underground Property Damage Hazard, CG 21 42 or CG 21 43 ○ Any Classification limitation ○ Any Construction Defect Completed Operations exclusion ○ Any endorsement modifying the Employer's Liability exclusion or deleting the exception to it ○ Any endorsement modifying or deleting Explosion, Collapse or Underground coverage ○ Any Habitational or Residential exclusion applicable to the Work ○ Any "Insured vs. Insured" exclusion except Named Insured vs. Named Insured ○ Any Punitive, Exemplary or Multiplied Damages exclusion ○ Any Subsidence exclusion

Business Auto Liability	<p>Amount of coverage shall be no less than:</p> <ul style="list-style-type: none"> ▪ \$1,000,000 Per Accident 	<ul style="list-style-type: none"> ▪ Current ISO edition of CA 00 01 ▪ Arising out of any auto (Symbol 1), including owned, hired and non-owned
Workers' Compensation and Employer's Liability	<p>Amounts of coverage shall be no less than:</p> <ul style="list-style-type: none"> ▪ Statutory Limits ▪ \$500,000 Each Accident and Disease ▪ Alternate Employer endorsement ▪ USL&H must be provided where such exposure exists. 	<ul style="list-style-type: none"> ▪ The State in which work is to be performed must be listed under Item 3.A. on the Information Page ▪ Such insurance shall cover liability arising out of the Design-Builder's employment of workers and anyone for whom the Design-Builder may be liable for workers' compensation claims. Workers' compensation insurance is required, and no "alternative" forms of insurance shall be permitted. ▪ Where a Professional Employer Organization (PEO) or "leased employees" are utilized, Design-Builder shall require its leasing company to provide Workers' Compensation insurance for said workers and such policy shall be endorsed to provide an Alternate Employer endorsement in favor of Design-Builder and Owner. Where Design-Builder uses leased employees with Workers' Compensation insurance provided by a PEO or employee leasing company, Design-Builder is strictly prohibited from subletting any of its work without the express written agreement of Owner.
Excess General Liability (Occurrence Basis)	<p>Amounts of coverage shall be no less than:</p> <ul style="list-style-type: none"> ▪ \$5,000,000 Each Occurrence ▪ \$5,000,000 Annual Aggregate 	<ul style="list-style-type: none"> ▪ Such insurance shall be excess over and be no less broad than all coverages described above. ▪ Drop-down coverage shall be provided for reduction and/or exhaustion of underlying aggregate limits and shall include a duty to defend any insured.
Professional Liability	<p>Amounts of coverage shall be no less than:</p> <ul style="list-style-type: none"> ▪ \$1,000,000 Each Claim ▪ \$2,000,000 Annual Aggregate ▪ If a combined Contractor's Pollution Liability and Professional Liability policy is utilized, the limits shall be \$3,000,000 Each Loss and Aggregate. ▪ Such insurance shall cover all services rendered by the Design-Builder and its consultants under the Agreement, including but not limited to design or design/build services. ▪ Policies written on a Claims-Made basis shall be maintained for at least two years beyond termination of the Agreement. 	<ul style="list-style-type: none"> ▪ Such insurance shall cover all professional services rendered by the Design-Builder and its subcontractors under the Agreement. ▪ This insurance is not permitted to include any type of exclusion or limitation of coverage applicable to claims arising from: <ul style="list-style-type: none"> ○ bodily injury or property damage where coverage is provided in behalf of design professionals or design/build contractors ○ habitational or residential operations ○ mold and/or microbial matter and/or fungus and/or biological substance ○ punitive, exemplary or multiplied damages. ▪ Any retroactive date must be effective prior to beginning of services for the Owner.

		<ul style="list-style-type: none"> ▪ Policies written on a Claims-Made basis shall have an extended reporting period of at least two years beyond termination of the Agreement. Vendor shall trigger the extended reporting period if identical coverage is not otherwise maintained with the expiring retroactive date.
Excess General Professional Liability (Claims Basis)	<p>Amounts of coverage shall be no less than:</p> <ul style="list-style-type: none"> ▪ \$5,000,000 Each Claim ▪ \$5,000,000 Annual Aggregate 	<ul style="list-style-type: none"> ▪ Such insurance shall be excess over and be no less broad than professional liability coverage described herein. ▪ Drop-down coverage shall be provided for reduction and/or exhaustion of underlying aggregate limits and shall include a duty to defend any insured.
Contractor's Pollution Liability	<p>Amounts of coverage shall be no less than:</p> <ul style="list-style-type: none"> ▪ \$1,000,000 Each Loss ▪ \$2,000,000 Annual Aggregate ▪ If a combined Contractor's Pollution Liability and Professional Liability policy is utilized, the limits shall be \$8,000,000 Each Loss and Aggregate. ▪ The policy must provide coverage for: <ul style="list-style-type: none"> ○ the full scope of the named insured's operations (on-going and completed) as described within the scope of work for this Agreement ○ loss arising from pollutants including but not limited to fungus, bacteria, biological substances, mold, microbial matter, asbestos, lead, silica and contaminated drywall ○ third party liability for bodily injury, property damage, clean up expenses, and defense arising from the operations; ○ diminution of value and Natural Resources damages ○ contractual liability ○ claims arising from non-owned disposal sites utilized in the performance of this Agreement. 	<ul style="list-style-type: none"> ▪ The policy must insure contractual liability, name Owner Parties as an Additional Insured, and be primary and noncontributory to all coverage available to the Additional Insured. ▪ This insurance is not permitted to include any type of exclusion or limitation of coverage applicable to claims arising from: <ul style="list-style-type: none"> ○ Insured vs. insured actions. However, exclusion for claims made between insured within the same economic family are acceptable. ○ impaired property that has not been physically injured ○ materials supplied or handled by the named insured. However, exclusions for the sale and manufacture of products are allowed. Exclusionary language pertaining to materials supplied by the insured shall be reviewed by the certificate holder for approval. ○ property damage to the work performed by the contractor ○ faulty workmanship as it relates to clean up costs ○ punitive, exemplary or multiplied damages ○ work performed by subcontractors ▪ If coverage is provided on a Claims Made basis, coverage will at least be retroactive to the earlier of the date of this Agreement or the commencement of contractor services relation to the Work. ▪ The policy will offer an extended discovery or extended reporting clause of at least three (3) years.

		<ul style="list-style-type: none"> Completed Operations coverage shall be maintained through the purchase of renewal policies to protect the insured and additional insured for at least two (2) years after the property owner accepts the project or this contract is terminated. The purchase of an extended discovery period or an extended reporting period on a Claims Made policy or the purchase of occurrence-based Design-Builders Environmental Insurance will not be sufficient to meet the terms of this provision.
Builders Risk	<ul style="list-style-type: none"> Coverage shall be provided in an amount equal at all times to the full contract value, including change orders, and cost of debris removal for any single occurrence. Coverage shall be at least as broad as an unmodified ISO Special form, shall be provided on a completed-value basis, and shall be primary to any other insurance coverage available to the named insured parties, with that other insurance being excess, secondary and non-contributing. The policy must provide coverage for: <ul style="list-style-type: none"> Agreed Value Included Damage arising from error, omission or deficiency in construction methods, design, specifications, workmanship or materials, including collapse Included Debris removal additional limit \$1,000,000 Earthquake and Earthquake Sprinkler Leakage \$5,000,000 Flood \$5,000,000 Freezing Included Mechanical breakdown including hot & cold testing Included Ordinance or law \$1,000,000 Pollutant clean-up and removal \$ 25,000 Preservation of property Included Theft Included Deductible shall not exceed \$10,000 	<ul style="list-style-type: none"> Insureds shall include Owner, General Design-Builder, all Loss Payees and Mortgagees, and subcontractors of all tiers in the Work as Insureds. Such insurance shall cover: <ul style="list-style-type: none"> all structure(s) under construction, including retaining walls, paved surfaces and roadways, bridges, glass, foundation(s), footings, underground pipes and wiring, excavations, grading, backfilling or filling; all temporary structures (e.g., fencing, scaffolding, cribbing, false work, forms, site lighting, temporary utilities and buildings) located at the site; all property including materials and supplies on site for installation; all property including materials and supplies at other locations but intended for use at the site; all property including materials and supplies in transit to the site for installation by all means of transportation other than ocean transit; and other Work at the site identified in the Agreement to which this Exhibit is attached. No protective safeguard warranty shall be permitted. The termination of coverage provision shall be endorsed to permit occupancy of the covered property being constructed. This insurance shall be maintained in effect, unless otherwise provided for the Agreement Documents, until the earliest of: <ul style="list-style-type: none"> the date on which all persons and organizations who are insureds under the policy agree that it shall be terminated; occupancy, in whole or in part;

○ All Risks of Direct Damage, Per Occurrence, except	2% subject to \$50,000 minimum	○ the date on which release of substantial completion is executed; or
○ Named Storm, Earthquake and Earthquake Sprinkler Leakage, Per Occurrence	\$100,000	○ the date on which the insurable interests of Design-Builder in the Covered Property has ceased.
○ Flood, Per Occurrence or excess of NFIP if in Flood Zone A or V	\$100,000	• A waiver of subrogation provision shall be provided in favor of all insureds.

2. **General Insurance Requirements**

A. **Definitions.** For purposes of this Agreement:

- i. “ISO” means Insurance Services Office.
- ii. “Design-Builder” shall include the Design-Builder and its subconsultants and/or subcontractors of any tier, including any other entities for which Design-Builder is responsible as to Owner.
- iii. “Owner Parties” means (a) City of San Marcos, Texas (collectively referred to as “Owner”), (b) the Project, (c) any lender whose loan is secured by a lien against the Work, (d) their respective shareholders, members, partners, joint venturers, affiliates, subsidiaries, successors and assigns, (e) any directors, officers, employees, or agents of such persons or entities, and (f) others as required by the Contract Documents.

B. **Policies.**

- i. Design-Builder shall maintain such Excess Liability, Professional and Pollution insurance in identical coverage, form and amount, including required endorsements, for at least two (2) years following Date of Substantial Completion of the Work to be performed under this Agreement. Design-Builder shall maintain such General Liability, Excess General Liability insurance in identical coverage, form and amount, including required endorsements, for at least ten (10) years following Date of Substantial Completion of the Work to be performed under this Agreement. Design-Builder shall provide written representation to Owner stating Work completion date.
- ii. All policies must:
 - a. Be written through insurance companies authorized to do business in the State in which the work is to be performed and rated no less than A-: VII in the most current edition of A. M. Best’s Key Rating Guide at all times Work is to be performed.
 - b. Provide a waiver of subrogation in favor of Owner Parties on all insurance coverage carried by Design-Builder, whether required herein or not.
 - c. Contain an endorsement providing for thirty (30) days prior written notice of cancellation to Owner.
 - d. Be provided to the Owner Parties in compliance with the requirements herein and shall contain no endorsements that restrict, limit, or exclude coverage required herein in any manner without the prior express written approval of the Owner.
- iii. Failure of any Owner Party to demand such certificate or other evidence of full compliance with these insurance requirements or failure of any Owner Party to identify a deficiency from evidence that is provided shall not be construed as a waiver of the Design-Builder’s obligation to maintain such insurance.
- iv. Design-Builder shall provide to the Owner a certified copy of all insurance policies required herein within ten (10) days of any such request. Renewal policies, if necessary, shall be delivered to the Owner prior to the expiration of the previous policy.
- v. Commencement of Work without provision of the required certificate of insurance, evidence of insurance or required endorsements, or without compliance with any other provision of this Agreement, shall not constitute a waiver by any Owner Party of any rights. The Owner shall have the right, but not the obligation, of

prohibiting the Design-Builder or any subcontractor from performing any Work until such certificate of insurance, evidence of insurance and/or required endorsements are received and approved by the Owner.

C. Limits, Deductibles and Retentions

- i. The limits of liability may be provided by a single policy of insurance or by a combination of primary and excess policies, but in no event shall the total limits of liability available for any one occurrence or accident be less than the amount required herein.
- ii. No deductible or self-insured retention shall exceed \$25,000 without prior written approval of the Owner, except as otherwise specified herein. All deductibles or retentions shall be paid by, assumed by, for the account of, and at the Design-Builder's sole risk. The Design-Builder shall not be reimbursed for same except for Builder's Risk deductibles in accordance with the Contract Documents.

D. Forms

- i. If the forms of policies, endorsements, certificates or evidence of insurance required by this Exhibit A are superseded or discontinued, Owner will have the right to require other equivalent forms.
- ii. Any policy or endorsement form other than a form specified in this Exhibit A must be approved in advance by Owner.

E. Evidence of Insurance. Insurance must be evidenced as follows:

- i. ACORD Form 25 Certificate of Liability Insurance for liability coverages.
- ii. ACORD Form 28 Evidence of Commercial Property Insurance for property coverages.
- iii. Evidence shall be provided to Owner prior to commencing Work and prior to the expiration of any required coverage.
- iv. ACORD Forms specify:
 - a. Owner as certificate holder at Owner's mailing address;
 - b. Insured's name, which must match that on this Agreement;
 - c. Insurance companies producing each coverage and the policy number and policy date of each coverage;
 - d. Producer of the certificate with correct address and phone number and have the signature of the authorized representative of the producer;
 - e. Additional Insured status in favor of Owner Parties;
 - f. Amount of any deductible or self-insured retention in excess of \$25,000;
 - g. Designated Construction Project(s) General Aggregate Limit;
 - h. Primary and non-contributory status;
 - i. Waivers of subrogation; and
 - j. All exclusions and limitations added by endorsement to the General Liability coverage. This can be achieved by attachment of the Schedule of Forms and Endorsements page.
- v. Copies of the following shall also be provided:
 - a. General Liability Additional insured endorsement(s);
 - b. General Liability Schedule of Forms and Endorsements page(s); and
 - c. 30 Day Notice of Cancellation endorsement applicable to all required policies.

F. Design-Builder Insurance Representations to Owner Parties

- i. It is expressly understood and agreed that the insurance coverages required herein (a) represent Owner Parties' minimum requirements and are not to be construed to void or limit the Design-Builder's indemnity obligations as contained in this Agreement nor represent in any manner a determination of the insurance coverages the Design-Builder should or should not maintain for its own protection; and (b) are being, or have been, obtained by the Design-Builder in support of the Design-Builder's liability and indemnity obligations under this Agreement. Irrespective of the requirements as to insurance to be carried as provided for herein, the insolvency, bankruptcy or failure of any insurance company carrying insurance of the Design-Builder, or the failure of any insurance company to pay claims accruing, shall not be held to affect, negate or waive any of the provisions of this Agreement.

- ii. Failure to obtain and maintain the required insurance shall constitute a material breach of, and default under, this Agreement. If the Design-Builder shall fail to remedy such breach within five (5) business days after notice by the Owner, the Design-Builder will be liable for any and all costs, liabilities, damages and penalties resulting to the Owner Parties from such breach, unless a written waiver of the specific insurance requirement(s) is provided to the Design-Builder by the Owner. In the event of any failure by the Design-Builder to comply with the provisions of this Agreement, the Owner may, without in any way compromising or waiving any right or remedy at law or in equity, on notice to the Design-Builder, purchase such insurance, at the Design-Builder's expense, provided that the Owner shall have no obligation to do so and if the Owner shall do so, the Design-Builder shall not be relieved of or excused from the obligation to obtain and maintain such insurance amounts and coverages.
- iii. This Exhibit C is an independent contract provision and shall survive the termination or expiration of the Contract Agreement.

G. Insurance Requirements of Design-Builder's Subcontractors

- i. Insurance similar to that required of the Design-Builder shall be provided by all subcontractors (or provided by the Design-Builder on behalf of subcontractors) to cover operations performed under any subcontract agreement. The Design-Builder shall be held responsible for any modification in these insurance requirements as they apply to subcontractors. The Design-Builder shall maintain certificates of insurance from all subcontractors containing provisions similar to those listed herein (modified to recognize that the certificate is from subcontractor) enumerating, among other things, the waivers of subrogation, additional insured status, and primary liability as required herein, and make them available to the Owner upon request.
- ii. The Design-Builder is fully responsible for loss and damage to its property on the site, including tools and equipment, and shall take necessary precautions to prevent damage to or vandalism, theft, burglary, pilferage and unexplained disappearance of property. Any insurance covering the Design-Builder's or its subcontractor's property shall be the Design-Builder's and its subcontractor's sole and complete means or recovery for any such loss. To the extent any loss is not covered by said insurance or subject to any deductible or co-insurance, the Design-Builder shall not be reimbursed for same. Should the Design-Builder or its subcontractors choose to self-insure this risk, it is expressly agreed that the Design-Builder hereby waives, and shall cause its subcontractors to waive, any claim for damage or loss to said property in favor of the Owner Parties.

H. Use of the Owners Equipment

The Design-Builder, its agents, employees, subcontractors or suppliers shall use the Owners equipment only with express written permission of the Owners designated representative and in accordance with the Owners terms and condition for such use. IF THE CONTRACTOR OR ANY OF ITS AGENTS, EMPLOYEES, SUBCONTRACTORS OR SUPPLIERS UTILIZE ANY OF THE OWNERS EQUIPMENT FOR ANY PURPOSE, INCLUDING MACHINERY, TOOLS, SCAFFOLDING, HOISTS, LIFTS OR SIMILAR ITEMS OWNED, LEASED OR UNDER THE CONTROL OF THE OWNER, THE CONTRACTOR SHALL DEFEND, INDEMNIFY AND BE LIABLE TO THE OWNER PARTIES FOR ANY AND ALL LOSS OR DAMAGE WHICH MAY ARISE FROM SUCH USE.

I. Release and Waiver

The Design-Builder hereby releases, and shall cause its subcontractors to release, the Owner Parties from any and all claims or causes of action whatsoever which the Design-Builder or its subcontractors might otherwise now or hereafter possess resulting in or from or in any way connected with any loss covered by insurance, whether required herein or not, or which should have been covered by insurance required herein, including the deductible or uninsured portion thereof, maintained or required to be maintained by the Design-Builder or its subcontractors pursuant to this Agreement. **THE FOREGOING RELEASE AND WAIVER APPLY EVEN IF THE LOSS OR DAMAGE IS CAUSED IN WHOLE OR IN PART BY THE FAULT OR NEGLIGENCE OR STRICT LIABILITY OF THE OWNER PARTIES.**

PERFORMANCE BOND

THE STATE OF TEXAS §
 § KNOW ALL BY THESE PRESENTS:
COUNTY OF _____ §

That we, Burns & McDonnell Engineering Company, Inc., as Principal herein, and _____ [SURETY], a corporation organized and existing under the laws of the State of _____ and who is authorized and admitted to issue surety bonds in the State of Texas, Surety herein, are held and firmly bound unto **City of San Marcos**, Obligee herein, in the sum of _____ Dollars (\$_____) for the payment of which sum we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, Principal has entered into a certain written contract with the Obligee dated the ____ day of _____, 20____, herein referred to as “the Contract” and incorporated herein and made a part hereof for all purposes, for the construction of the following project: **FM 1978 Water Reclamation Facility Progressive Design-Build Project.**

NOW, THEREFORE, the condition of this obligation is such, if the said Principal shall faithfully perform the work in accordance with the plans, specifications, and other Contract Documents and shall fully indemnify and hold harmless the Obligee from all costs and damages which Obligee may suffer by reason of Principal’s failure to perform the Work in conformity with the Contract Documents, and reimburse and repay Obligee for all outlay and expense that Obligee may incur in making good such default, then this obligation shall be void; otherwise, to remain in full force and effect.

Whenever Principal shall be declared by Obligee to be in default under the Contract, the Surety shall, upon request of Obligee and within ten (10) calendar days from receipt of Obligee’s notice of Principal’s default, commence and thereafter complete performance of Contractor’s obligations under the Contract. Surety acknowledges that its obligations under this bond and as detailed herein and in the Contract Documents are not conditioned on a termination of the Principal by the Obligee. Surety further acknowledges and agrees that Surety shall obtain the Obligee’s approval and consent with respect to the contractor(s) that Surety may retain to replace defaulted Principal or otherwise honor the obligations under this Bond.

This Bond covers all contractual obligations of Contractor under the Contract, including, without limitation, the indemnity, warranty and guaranty obligations. The Surety stipulates and agrees that no change, extension of time, alteration, omission, addition or other modification to the terms of any of the Contract will affect its obligations on this bond, and it hereby waives notice of any such changes, extensions of time, alterations, omissions, additions, or other modifications, to the Contract or to related subcontracts, purchase orders or other obligations, and any notices provided in such regard shall not create as to any party a duty related thereto. The penal limit of this bond shall automatically be increased by the amount of any change order, supplemental agreement or amendment which increases the price of the Contract.

PROVIDED, HOWEVER, that this bond is executed pursuant to Chapter 2253 of the Texas Government Code, as amended, and all rights and liabilities on this bond shall be determined in accordance with the provisions of such statute, to the same extent as if it were copied at length herein. All notices shall be delivered in writing to the addresses shown below or to addresses provided in the Contract Documents.

IN WITNESS WHEREOF, the duly authorized representatives of the Principal and the Surety have executed this instrument.

SIGNED and SEALED this _____ day of _____, 20____.

The date of bond shall not be prior to date of Contract.

ATTEST:

(Principal) Secretary

(S E A L)

Witness as to Principal

PRINCIPAL

By: _____

Name: _____

Title: _____

Address: _____

Telephone Number: _____

SURETY

ATTEST:

Secretary

(S E A L)

Witness as to Surety

By: _____

Name: _____
Attorney in Fact

Address: _____

Telephone Number: _____

An original copy of Power of Attorney shall be attached to Bond by the Attorney-in-Fact.

Approved as to Form:

**City of San Marcos
630 E Hopkins
San Marcos, TX 78666**

By: _____

Title: _____

Date: _____

PAYMENT BOND

THE STATE OF TEXAS §
 § KNOW ALL BY THESE PRESENTS:
COUNTY OF _____ §

That we, Burns & McDonnell Engineering Company, Inc., as Principal herein, and _____, a corporation organized and existing under the laws of the State of Texas and who is authorized and admitted to use surety bonds in the State of Texas, as surety, are held and firmly bound unto **City of San Marcos** located in **San Marcos, Texas**, Obligee herein, in the amount of _____ Dollars (\$_____) for the payment whereof, the said Principal and Surety bind themselves and their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents:

WHEREAS, the Principal has entered into a certain written contract with the Obligee dated the ____ day of _____, 20____, which contract is hereby referred to herein as “the Contract” and is incorporated herein to the same extent as if copied at length, for the following project: **FM 1978 Water Reclamation Facility Progressive Design-Build Project**.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall directly or indirectly timely make payment to each and every claimant (as defined in Chapter 2253, Texas Government Code, as amended) supplying labor or materials in the prosecution of the work under the Contract, then this obligation shall be void; otherwise, to remain in full force and effect. *This obligation may be enforced by the Obligee in the event of bankruptcy or default by Principal in payments to suppliers of labor or materials in the prosecution of the work under the Contract, in either of which events the Surety shall make such payments as Principal has failed to pay and as may be required to complete the work under the contract.* The Surety stipulates and agrees that no change, extension of time, alteration, omission, addition or other modification to the terms of the Contract will affect its obligations on this bond, and it hereby waives notice of any such changes, extensions of time, alterations, omissions, additions, or other modifications, to the Contract or to related subcontracts, purchase orders or other obligations, and any notices provided in such regard shall not create as to any party a duty related thereto.

PROVIDED, HOWEVER, that this bond is executed pursuant to Chapter 2253 of the Texas Government Code, as amended, and all rights and liabilities on this bond shall be

determined in accordance with the provisions of said statute, to the same extent as if it were copied at length herein. All notices shall be delivered in writing to the addresses shown below or to addresses provided in the Contract Documents.

IN WITNESS WHEREOF, the duly authorized representatives of the Principal and the Surety have executed this instrument.

SIGNED and SEALED this _____ day of _____, 20____.

The date of bond shall not be prior to date of Contract.

ATTEST:

(Principal) Secretary

(S E A L)

Witness as to Principal

ATTEST:

Secretary

(S E A L)

Witness as to Surety

PRINCIPAL

By: _____

Name: _____

Title: _____

Address: _____

Telephone Number: _____

SURETY

By: _____

Name: _____

Attorney in Fact

Address: _____

Telephone Number: _____

An original copy of Power of Attorney shall be attached to Bond by the Attorney-in-Fact.

Approved as to Form:

City of San Marcos
630 E Hopkins
San Marcos, TX 78666

By: _____

Title: _____

Date: _____

**CONTRACT PRICE AMENDMENT
TO THE
PROGRESSIVE DESIGN-BUILD AGREEMENT**

This Contract Price Amendment to DBIA Document No. 545, Progressive Design-Build Agreement for Water and Wastewater Projects, is entered into by and between the City of San Marcos (the "City") and Burns & McDonnell Engineering Company, Inc. for the construction of the FM 1978 Water Reclamation Facility Progressive Design-Build (the "Project").

This Contract Price Amendment is a Contract Document for the Project and becomes binding upon mutual execution by the Parties hereto. Pursuant to the terms of the Agreement, this Contract Price Amendment is prepared pursuant to sections 1.2 and 1.3 of the Agreement and establishes, among other things, the Guaranteed Maximum Price ("GMP") for the Project:

RECITALS:

WHEREAS, the City and Burns & McDonnell Engineering Company, Inc. entered into the Agreement dated July 2, 2025 for the design and construction of the Project; and

WHEREAS, unless clearly provided otherwise herein, all terms and phrases used herein shall have the same meaning as the terms and phrases used in the Agreement; and

WHEREAS, Section 1.3 of the Agreement contemplates the delivery of a Design-Builder's Proposal to the City; and

WHEREAS, Section 1.3 of the Agreement requires that said Proposal contain certain representations and documentation; and

WHEREAS, Section 1.3 of the Agreement provides that in the event the City timely accepts the Proposal, this Amendment shall be executed; and

WHEREAS, Burns & McDonnell Engineering Company, Inc. has delivered its Proposal to the City; and

WHEREAS, the City desires to accept the Proposal, subject to any amendments or revisions as set forth below.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Burns & McDonnell Engineering Company, Inc. agree to modify and amend the Agreement as follows:

1. The City hereby accepts the Proposal submitted by Burns & McDonnell Engineering Company, Inc., dated _____, a true and complete copy of which is attached hereto and incorporated herein by reference, marked as Exhibit "1-A" to this Amendment.
2. Burns & McDonnell Engineering Company, Inc.'s GMP for the Cost of the Work is _____ dollars (\$_____), subject to additions and deductions by Change Order as provided in the Contract Documents. As agreed by the City and Burns & McDonnell Engineering Company, Inc., the GMP is an amount that the Cost of the Work shall not exceed, and is based on and detailed in the attached Exhibit "1-A".
3. The Design Builders' Fee for the Construction of the Work is hereby established in the sum of _____ dollars (\$_____), based on the product of 7.0% multiplied by the Cost of the Work, and said sum is included within the above stated GMP.

4. The General Conditions expenses for the construction of the Work are hereby established in the sum of _____ dollars (\$_____), and said sum is included in the above stated GMP. Burns & McDonnell Engineering Company, Inc. acknowledges and agrees that the City shall have no liability for any General Condition expenses beyond payment of the above noted amount and Burns & McDonnell Engineering Company, Inc. agrees that it shall not be entitled to receive any additional compensation from the City for the General Conditions beyond this amount unless expressly adjusted by a Change Order.

5. The City has established an Owner's contingency fund in the sum of _____ dollars (\$_____) for this Project. The Design-Builder will also establish a Design-Builder contingency as described in the Scope of Services. Burns & McDonnell Engineering Company, Inc. has no right or entitlement to the Owner's contingency fund and use of such funds are subject to the prior written approval and issuance of a Change Order by the City. Any contingency funds remaining at the completion of the Project will be credited from the GMP.

6. Pursuant to the terms of the Agreement, the scope of work described in Exhibit 1-A this Amendment will be Substantially Complete within _____ calendar days after issuance of the Notice to Proceed with construction. In the event this Amendment applies to a phase of the Project, the entire Project must nevertheless be Substantially Complete within _____ calendar days after issuance of the first Notice to Proceed with construction.

7. Except as modified herein, the terms and conditions of the Agreement remain unchanged. In the event of a conflict between the terms of this Amendment and those of the Agreement, the City and Burns & McDonnell Engineering Company, Inc. agree that the terms of this Amendment shall take precedence.

IN WITNESS WHEREOF, the parties have executed this Amendment to be effective as of the _____ day of _____, 2025.

OWNER:

CITY OF SAN MARCOS, TEXAS

By: _____

Name: _____

Title: _____

DESIGN-BUILDER:

Burns & McDonnell Engineering Company, Inc.

By: _____

Name: _____

Title: _____

Exhibit “1-A” – Design-Builder’s Proposal