

PROFESSIONAL SERVICES CONTRACT
(Part 58 – Environmental Assessment Services)

This Professional Services Contract (“Contract”) effective this 15 day of July, 2011, by and between Galveston Housing Authority, (“GHA”) and Tolunay-Wong Engineers, Inc., (the “Consultant”), whereby the Consultant agrees to provide GHA with certain professional services as described herein and GHA agrees to pay the Consultant for those services.

ARTICLE I
Scope of Services

- 1.01 In consideration of the compensation stated in Section 2.01, the Consultant agrees to provide GHA with the professional services as described in Exhibit “A”, the Scope of Services, which is incorporated herein by reference for all purposes, and which services may be more generally described as follows: Conduct a “Part 58 - Environmental Assessment” of improved and un-improved parcels of land, for acquisition with rehabilitation or new construction of single family housing within the city of Galveston, Texas (the “Project”)

ARTICLE II
Payment

- 2.01 Payments on account of the Consultant’s services properly performed shall be made monthly, upon submission of the Consultant’s original signed invoice and the delivery of an original, certified environmental report, which shall be based in accordance with the payment schedule set forth in **Exhibit “B”**.

ARTICLE III
Time of Performance and Construction Cost

- 3.01 The Consultant shall complete the professional services within the times set forth below. The Consultant shall be properly licensed in Texas and shall exercise a degree of care and diligence in the performance of all services under this Contract in accordance with the ordinary professional standards prevailing among environmental consultants in the location of the Project and all of the professional services shall be performed as expeditiously as is consistent with said standards and the orderly progress of the Work but in no event shall the delivery of a broad environmental review exceed (60) sixty days and a site specific environmental report exceed fourteen (14) days from the date the Consultant is given a notice to proceed unless the Consultant provides written justification for additional time prior to the proposed date of delivery. Any subconsultants to Consultant shall be held to the same licensing and standard of care requirements as set forth herein.
- 3.02 All environmental work and other professional services provided under this Contract must be completed no later than sixty (60) days after the last property has been contracted but no later than March 31, 2012.
- 3.03 **Time is of the essence of this Contract.** The Consultant shall be prepared to provide the professional services in the most expedient and efficient manner possible in order to

complete the work by the time specified. Promptly after the execution of this Contract, the Consultant shall prepare and submit for GHA to approve in writing, a detailed schedule for the performance of the Consultant's services, for GHA's approval. The time limits established by this schedule, over which Consultant has control, shall not be exceeded without written approval from GHA.

- 3.04 The Consultant's services consist of all of the services required to be performed by Consultant, Consultant's employees and Consultant's consultants under the terms of this Contract and any other environmental review and assessment services that are normally or customarily furnished and reasonably necessary for the Project.. The Consultant may contract and employ consultants necessary for the completion of the Project, only if such consultants shall be licensed as required by the State of Texas and approved in advance in writing by GHA.
- 3.05 The Consultant shall designate a principal of the firm reasonably satisfactory to GHA who shall, so long as employed by Consultant and acceptable to GHA, remain in charge of professional services through completion and be available for general consultation throughout the Project. Any replacement of that principal shall be approved in writing (which shall not be unreasonably withheld) by GHA, prior to replacement.
- 3.06 Consultant shall be responsible for the completeness and accuracy of all environmental reports submitted by or through Consultant and for their compliance with all applicable codes, ordinances, regulations, laws and statutes.
- 3.07 Consultant's opinion of the environmental assessment for each property shall represent the Consultant's best judgment as an Consultant professional familiar with the environmental industry.

ARTICLE IV Applicable Laws

- 4.01 The Consultant shall fully investigate all applicable Local, State, and Federal rules, regulations, and standards relating to the review, analysis and assessment of the services being provided under this contract.
- 4.02 **THE CONSULTANT SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS GHA AND ITS OFFICERS, DIRECTORS, TRUSTEES, AGENTS, VOLUNTEERS, INVITEES AND EMPLOYEES FROM ALL FINES, FEES, LOSSES, CAUSES OF ACTION, ADMINISTRATIVE PENALTIES, REMEDIAL MEASURES, AND LOSSES OF ANY KIND ARISING OUT OF OR RELATED TO CONSULTANT'S FAILURE TO ADHERE TO ANY OF THE APPLICABLE LAWS, CODES, STANDARDS, RULES, REGULATIONS, ORDINANCES OR OTHER SUCH REQUIREMENTS.**

ARTICLE V
Change Orders, Documents & Materials

- 5.01 No changes shall be made, nor will invoices for changes, alterations, modifications, deviations, or extra work or services be recognized or paid except upon the prior written order from authorized personnel of GHA.
- 5.02 Any request by the Consultant for an increase in the Scope of Services and an increase in the amount listed in Article 2 of this Contract shall be made and approved by GHA prior to the Consultant providing such services or the right to payment for such additional services shall be waived. If there is a dispute between the Consultant and GHA respecting any service provided or to be provided hereunder by the Consultant, the Consultant agrees to continue providing on a timely basis all services to be provided by the Consultant hereunder, including any service as to which there is a dispute.
- 5.03 The Consultant shall furnish GHA plans and specifications and other "deliverables" as set forth in Exhibit "A". The Consultant shall provide copies of any other relevant documents used or prepared by the Consultant. The foregoing documentation, the Consultant's work product, and other information in the Consultant's possession concerning the Project shall be the property of GHA from the time of payment therefore.

ARTICLE VI
Standards of Performance

- 6.01 As a licensed environmental professional, the Consultant warrants that the information provided by the Consultant reflects the applicable professional and industry standards, procedures, and performances.
- 6.02 In all activities or services performed hereunder, the Consultant is an independent contractor and not an agent or employee of GHA. The Consultant and its employees are not the agents, servants, or employees of GHA. As an independent contractor, the Consultant shall be responsible for the professional services and the final work product contemplated under this Contract. Except for materials furnished by GHA, the Consultant shall supply all materials, equipment, and labor required for the professional services to be provided under this Contract. The Consultant shall have ultimate control over the execution of the professional services. The Consultant shall have the sole obligation to employ, direct, control, supervise, manage, discharge, and compensate all of its employees or subconsultants, and GHA shall have no control of or supervision over the employees of the Consultant or any of the Consultant's subconsultants.
- 6.03 The Consultant must at all times exercise reasonable precautions on behalf of, and be solely responsible for, the safety of its officers, employees, agents, subconsultants, licensees, and other persons, as well as their personal property, while in the vicinity of the Project or any of the work being done on or for the Project. It is expressly understood and agreed that GHA shall not be liable or responsible for the negligence of the Consultant, its officers, employees, agents, subconsultants, invitees, licensees, and other persons.

6.04 Indemnity. THE CONSULTANT AGREES TO INDEMNIFY, SAVE, PROTECT, DEFEND, AND HOLD HARMLESS GHA, AND ITS DIRECTORS, MEMBERS, OFFICERS, VOLUNTEERS, INVITEES AND EMPLOYEES (“INDEMNIFIED PARTIES”) FROM AND AGAINST ALL LIABILITY, LOSS, DAMAGE OR EXPENSE, INCLUDING REASONABLE ATTORNEY’S FEES, BY REASON OF ANY SUITS, CLAIMS, DEMANDS OR JUDGMENTS ARISING OUT OF OR IN CONNECTION WITH CONSULTANT’S NEGLIGENCE AND/OR PERFORMANCE OF THIS CONTRACT. All obligations as set forth in this Section 7.05 shall survive completion of or the termination of this Contract.

6.04.01 It is agreed with respect to any legal limitations now or hereafter in effect and affecting the validity or enforceability of the indemnification obligation under Paragraph 6.05, such legal limitations are made a part of the indemnification obligation and shall operate to amend the indemnification obligation to the minimum extent necessary to bring the provision into conformity with the requirements of such limitations, and as so modified, the indemnification obligation shall continue in full force and effect.

**ARTICLE VII
Insurance**

7.01 The Consultant shall procure and maintain at its sole cost and expense for the duration of this Contract insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, volunteers, employees or subconsultants. The policies, limits and endorsements required are as set forth on Exhibit “C”.

**ARTICLE VIII
Use of Reports and Other Documents**

8.01 The environmental report and other documents prepared by the Consultant and Consultant’s consultants for this Project shall become the property of GHA whether the Project is completed or not. GHA shall be furnished and permitted to retain reproducible copies of Consultant’s report and documents.

8.02 In the event of termination of this Agreement for any reason, GHA shall receive all original documents prepared to the date of termination and shall have the right to use those documents and any reproductions in any way necessary to complete the Project.

ARTICLE IX
Termination

- 9.01 GHA may terminate this Contract at any time upon thirty (30) calendar days written notice. Upon the Consultant's receipt of such notice, the Consultant shall cease work immediately. The Consultant shall be compensated for the services satisfactorily performed prior to the termination date.
- 9.02 If, through any cause, the Consultant fails to fulfill its obligations under this Contract, or if the Consultant violates any of the terms of this Contract, GHA has the right to terminate this Contract by giving the Consultant five (5) calendar days written notice to cure all defaults under and causes for termination of this Contract. In the event the Consultant fails to commence and continue to cure said defaults and causes within said five day period, GHA may, at its sole discretion, terminate this Contract. In the event of termination under this Paragraph 9.02, the Consultant will be compensated for the services satisfactorily performed before the termination date.
- 9.03 No term or provision of this Contract shall be construed to relieve the Consultant of liability to GHA for damages sustained by GHA because of any breach of contract and/or negligence by the Consultant. GHA may withhold payments to the Consultant for the purpose of setoff until the exact amount of damages due GHA from the Consultant is determined and paid.

ARTICLE X
Miscellaneous Terms

- 10.01 This Contract has been made under and shall be governed by the laws of the State of Texas. The parties agree that performance and all matters related thereto shall be in Galveston County, Texas.
- 10.02 Notices shall be mailed to the addresses designated herein or as may be designated in writing by the parties from time to time and shall be deemed received when sent postage prepaid U.S. Mail to the following addresses:

Galveston Housing Authority:

Galveston Housing Authority
Attn: _____
Director, Real Estate Services
4700 Broadway
Galveston, Texas 77551

Consultant:

Tolunay-Wong Engineers, Inc.
Attn: _____
10710 S. Sam Houston Parkway W., Suite 100
Houston, TX 77031

- 10.03 No waiver by either party hereto of any term or condition of this Contract shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.
- 10.04 This Contract represents the entire and integrated agreement between GHA and the Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. This Contract may only be amended by written instrument approved and executed by the parties.
- 10.05 This Contract and all rights and obligations contained herein may not be assigned by the Consultant without the prior written approval of GHA.
- 10.06 If any provision of this Contract shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court of competent jurisdiction finds that any provision of this Contract is invalid or unenforceable, but that by limiting such provision it may become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.
- 10.07 The Consultant, its agents, employees, and subconsultants must comply with all applicable federal and state laws, local ordinances and with all applicable rules and regulations promulgated by local, state, and national boards, bureaus, and agencies. The Consultant must obtain all necessary permits and licenses required in completing the work and providing the services required by this Contract.
- 10.08 The parties acknowledge that they have read, understood, and intend to be bound by the terms and conditions of this Contract.
- 10.09 This Contract will be effective when signed by the last party whose signing makes the Contract fully executed.
- 10.10 Any delays in or failure of performance by Consultant shall not constitute a default under this Contract if such delays or failure of performance are caused by occurrences beyond the control of Consultant including but not limited to: acts of God or the public enemy; act of war, terrorism or sabotage or damages resulting there from; compliance with an order of a governmental authority; fire, floods, explosions, accidents, riots, strikes or other concerted acts of workmen. Consultant's scheduled completion date shall be adjusted to account for any such force majeure delay. If Consultant believes such force majeure event will result in the performance of additional services, such additional services will be subject to the provisions of Article VI and as otherwise provided herein as to approvals for additional services.
- 10.11 The Consultant and GHA desire an expeditious means to resolve any disputes that may arise between them regarding this Contract. If either party disputes any matter relating to this Contract, the parties agree to try in good faith, before bringing any legal action, to settle the dispute by submitting the matter to mediation before a third party who will be selected by agreement of the parties. The parties will each pay one-half of the mediator's fees.

10.12 Notice of Indemnification. GHA and Consultant hereby acknowledge and agree that this Contract contains certain indemnification obligations and covenants.

Galveston Housing Authority

By: Mona Ruz
Printed Name: Mona Ruzgason
Title: Interim Executive Director
D&A SB

Tolunay-Wong Engineers, Inc.

By: Paul Wild
Printed Name: Paul Wild
Title: VP

Exhibit "A"
Scope of Services

The services required under this scope of work includes all professional environmental consulting services required to prepare a complete report that meets the requirements of 24 CFR Part 58 Environmental Review.

The selected consultant specific tasks shall include, but not limited to the following:

1. Tiered Environmental Review

GHA Scattered Site Program currently does not have specific project addresses. In this situation, a tiered environmental review is appropriate. Tiering allows an environmental analysis to be completed on a broad basis to address those impacts typical of a proposed action.

a. Level I review – The selected consultant will be required to provide a Part 58 broad review based upon those census tracts which make up the City of Galveston and as identified by GHA for its Scattered Sites Program. Level II Review – The Level II review will be a site specific review of those properties that have been identified for purchase and additional due diligence by GHA.

2. The selected consultant will prepare and submit the supporting documentation, which includes but is not limited to the following, for both the broad and site specific reviews:

- NOI/RROF
- Certification of Categorical Exclusion
- Statutory Checklist for Categorical Excluded Projects with supporting documentation
- Project Description
- HUD Form 7
- Tiering plan and Site-specific checklist if applicable

Exhibit "B"

TOLUNAY WONG ENGINEERS, INC. Proposed Compensation Structure

Review Type	Cost	Estimated Duration
Broad Review (i.e. Census Tract)	\$6,000.00 each	60 Days
Site Specific Review (Individual Parcels)	\$500.00 each	30 Days

Exhibit "C"
Insurance Requirements

Offerors shall provide evidence of all appropriate and applicable insurance coverage carried by the firm, including policy coverage periods. Offerors shall furnish the Galveston Housing Authority (GHA) with certificates of insurance showing that the following insurance is in force and will insure all operations under this RFP, and name the Galveston Housing Authority (GHA) as an additional insured. Required insurance levels are as follows:

- Workers' compensation in accordance with the State of Texas rules and regulations.
- General liability insurance with a single limit for bodily injury of \$1,000,000 per occurrence and property damage limit of no less than \$1,000,000 per occurrence. The insurance may have a combined aggregate of coverage amounting to no less than \$1,000,000. Such insurance shall protect offeror against claims of bodily injury or death and property damage to others. If offeror has a "claims made policy," then the following additional requirements apply: The policy must provide a "retroactive date" which must be on or before the execution date of the Agreement and the extended reporting period may not be less than five years following the completion date of the Agreement.
- Automobile liability on owned and non-owned motor vehicles used on the site(s) or in connection herewith for a combined single limit of bodily injury and property damage of not less than \$1,000,000 per occurrence.
- Professional Errors and Omissions insurance of no less than \$1,000,000.

All insurance shall be carried with companies that are financially responsible and admitted to do business in the State of Texas. Offeror shall not permit the insurance policies required to lapse during the period for which the Agreement is in effect. All certificates of insurance shall provide that no coverage may be cancelled or non-renewed by the insurance company until at least thirty (30) day's prior written notice has been given to the Galveston Housing Authority (GHA).

Exhibit "D"
Certificate(s) of Insurance



CERTIFICATE OF LIABILITY INSURANCE

OP ID .i

DATE (MM/DD/YYYY)

07/12/11

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hotchkiss Insurance Agency LLC 13105 NW Freeway, Suite 850 Houston TX 77040-6312 Phone: 713-956-9800 Fax: 713-956-0331		CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL: ADDRESS: PRODUCER CUSTOMER ID #: TOLUN-1		FAX (A/C, No):	
INSURED Tolunay-Wong Engineers Inc. 10710 S. Sam Houston Pk W 100 Houston TX 77031		INSURER(S) AFFORDING COVERAGE		NAIC #	
		INSURER A: Hartford Fire Insurance Co		19682	
		INSURER B: Hartford Casualty Insurance Co		29424	
		INSURER C: Sentinel Insurance Co, LTD		11000	
		INSURER D:			
		INSURER E:			
		INSURER F:			

COVERAGES

CERTIFICATE NUMBER:


REVISION NUMBER:

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

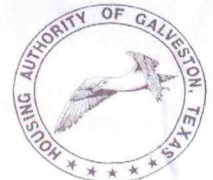
INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY			61UUNIN2174	08/01/10	08/01/11	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 10,000
	<input checked="" type="checkbox"/> Contractual Liab						PERSONAL & ADV INJURY \$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE \$ 2,000,000
	<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG \$ 2,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY			61UUNIN2174	08/01/10	08/01/11	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS						BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident) \$
	<input checked="" type="checkbox"/> HIRED AUTOS						\$
<input checked="" type="checkbox"/> NON-OWNED AUTOS			\$				
B	<input checked="" type="checkbox"/> UMBRELLA LIAB			61RHUIN1905	08/01/10	08/01/11	EACH OCCURRENCE \$ 5,000,000
	<input type="checkbox"/> EXCESS LIAB	<input checked="" type="checkbox"/> OCCUR					AGGREGATE \$ 5,000,000
	<input type="checkbox"/> DEDUCTIBLE	<input type="checkbox"/> CLAIMS-MADE					\$
	<input checked="" type="checkbox"/> RETENTION \$ 10,000						\$
C	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			61WBZU2907	03/19/11	03/19/12	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	Y/N	N/A				E.L. EACH ACCIDENT \$ 1000000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE \$ 1000000
							E.L. DISEASE - POLICY LIMIT \$ 1000000
A	<input checked="" type="checkbox"/> Equipment Floater			61UUNIN2174	08/01/10	08/01/11	Per Item \$ 100,000
	<input checked="" type="checkbox"/> Leased/Rented						DED \$1000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 Ref: Part 58-Environmental Assessment Services Galveston Housing Authority is named as an additional insured on the general & auto liability. Waiver of subrogation is provided on all liability policies. Above endorsements are as required by written contract.

CERTIFICATE HOLDER**CANCELLATION**

GALHGAL Galveston Housing Authority 4700 Broadway Galveston TX 77551	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

MEMORANDUM



To: Mona Purgason
From: Deyna Sims-Hobby
CC: Samson Babalola
Date: 9/6/2011
Re: Revised Scope Part 58 Environmental Review

The scope of work for the Environmental Review has been revised. The original scope was for HUD recommended census tracts and census tracts where the original family sites are located.

The Scattered Sites Subcommittee decided (meeting on August 24th) to expand the scope for all census tracts behind the seawall in order to give use more flexibility if our acquisition efforts are limited within the HUD recommended census tracts.

HUD has informed staff that if and when GHA exhaust all resources in their search for properties within the census tracts recommended by HUD, GHA is allowed to seek properties within census tracts that are minority/economically impacted. A detailed explanation will need to be given to HUD if this occurs.

Thanks,

Deyna Sims-Hobby

Tolunay-Wong Engineers, Inc.

10710 S. Sam Houston Parkway W., Suite 100 * Houston, Texas 77031 * 713-722-7064 * Fax 713-777-0341

September 1, 2011

Mr. Samson Babalola
Asst. Development Coordinator
Galveston Housing Authority
4700 Broadway
Galveston, Texas 77551

Reference: Proposed Project Aggregation and Billing – REV 3

As discussed during the Galveston Housing Authority (GHA) Scattered Site Development Subcommittee Meeting on August 24, 2011, GHA has requested Tolunay-Wong Engineers, Inc., (TWE) perform the environmental review for six census tracts, in addition to the fourteen previously identified. The fourteen previously identified tracts include the twelve original agreed upon tracts and two additional tracts identified via a phone conversation between GHA and TWE on August 15, 2011. The mutual agreement of aggregation for the broad review Environmental Review Records (ERRs) is follows:

- Tracts 7258, 7253, and 7257, as they are similar in character, consisting of mostly newer residential properties, and they are geographically connected.
- Tracts 7241, 7255, and 7256, as they are geographically connected. The Seawall tract (7241) has its own unique character compared to all other tracts as it is mostly commercial and has a high tourist population, particularly in the summer months. The other 2 tracts (7255 and 7256) are primarily residential. Although the Seawall is very unique, in general all three tracts are more likely to have multifamily residential housing and have somewhat consistent socioeconomics to one another.
- Tracts 7248, 7249, and 7250, as they are very similar in character, mostly residential and historic, and are geographically connected.
- Tracts 7243, 7244, and 7245, as they are somewhat similar in character and geographically connected. The 2 tracts in the Strand (7243 and 7245) have industrial and commercial properties, have many abandoned/boarded up homes, and have plentiful amounts of historical markers and buildings. The tract south of Broadway (7244) is less historic and industrial but shares some of the residential, commercial, and demographic characteristics of the 2 located in the Strand.
- Tracts 7247, 7251, and 7252, as they are similar in character and geographically connected.
- Tracts 7240 and 7246, as they are similar in character and geographically connected.

It was decided that tracts 7242, 7254, and 7259 were each too unique; therefore, they could not be aggregated with any other tracts. The above aggregation plan will result in a total of nine (9) ERRs and a total cost of \$117,500 as follows:

- Original twelve - Four ERRs containing 3 tracts each at a cost of \$17,500 per each aggregated ERR, for a total of \$70,000. The time frame to complete this review is 60 days after TWE received Notice to Proceed (NTP) on July 20, 2011; therefore, the ERRs will be delivered on or before September 19, 2011.

Mr. Samson Babalola
September 1, 2011
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- Additional two - One ERR containing 2 tracts for a cost of \$12,000. The time frame to complete this review is 60 days after TWE received NTP on August 22, 2011; therefore, the ERRs will be delivered on or before October 19, 2011.
- Additional three - One ERRs containing 3 tracts at a cost of \$17,500. The time frame to complete this review will be no greater than 60 days after TWE receives NTP.
- Additional three ERRs containing 1 tract at a cost of \$6,000 each, for a total of \$18,000. The time frame to complete this review will be no greater than 60 days after TWE receives NTP.

As discussed in the August 24, 2011 GHA meeting, TWE will attempt to complete the Broad Review for all eighteen tracts by September 19, 2011. In the event additional time is required to complete the additional identified tracts, TWE will inform GHA and ask for guidance on prioritization based on their internal needs for the rebuilding initiative.

As discussed in the July 20, 2011 GHA meeting the site specific reviews cannot be aggregated; therefore, the price of each site specific review is \$500.00. Completion time frames for the site specific ERRs will be dependent on agency concurrence, in particular the Texas Historical Commission.

Time frame estimates have not considered the receipt of informative public comment that have the potential to direct the decision making process and alternative analysis. Additionally, these estimates are based on the assumption that a Finding of No Significant Impact can be made.

Billing

As presented in TWE's e-mail dated August 9, 2011, and then later discussed in a phone conversation between GHA and TWE on August 10, 2011, GHA agreed to the following billing schedule:

- Original Broad Reviews -TWE has billed 25% completion at this time for the completion of the original twelve census tracts site reconnaissance and desktop review. TWE will bill up to 75% for the work completed for the remainder of August and up to 90% at the time GHA receives the deliverables. This will leave 10% for addressing GHA review comments.
- Additional Broad Reviews -TWE will bill 25% completion at the time for the completion of the additional eight census tracts site reconnaissance and desktop review. TWE will bill up to 75% for the work completed for the remainder of September and up to 90% at the time GHA receives the deliverables. This will leave 10% for addressing GHA review comments.
- Site Specific - TWE will bill 90% at the end of each month for each ERR delivered to GHA that month. This will leave 10% for addressing GHA review comments.

Mr. Samson Babalola
September 1, 2011
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Please contact us if you have any questions or need additional information. If the above stated terms are acceptable please sign below or provide a document that references the terms of this letter in accordance with Section 10.04 of the Professional Services Contract dated July 15, 2011.

Thank you for choosing Tolunay-Wong Engineers, Inc., to meet your environmental needs.

Sincerely,
TOLUNAY-WONG ENGINEERS, INC.



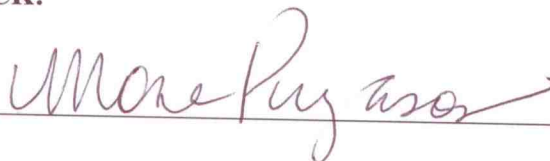
Alana Lynes
Project Manager



Paul R. Wild
Vice President Environmental Services

TWE PROPOSAL NUMBER: P11-E039, Rev. 3
PROPOSAL ACCEPTANCE BLOCK:

Galveston Housing Authority
Authorized Representative:



Printed Name:

Date:

