

**CITY OF SAN ANTONIO
INTERDEPARTMENTAL MEMORANDUM
AVIATION DEPARTMENT**

TO: Mayor and City Council

FROM: Kevin C. Dolliole, Aviation Director

THROUGH: Terry M. Brechtel, City Manager

COPIES: J. Rolando Bono, Finance, Office of Management & Budget, Public Works, File

SUBJECT: Professional Services Agreement – Security Assessment for San Antonio International Airport

DATE: September 30, 2004

SUMMARY AND RECOMMENDATIONS

This ordinance designates the firm of Parsons Transportation Group, Inc. to provide consulting services in connection with the Security Assessment for San Antonio International Airport, and authorizes the negotiation and execution of a contract for an amount not to exceed \$393,404.00. This ordinance also authorizes \$39,340.00 for consulting contingencies and \$6,000.00 for administrative expenses for a total authorized expenditure of \$438,744.00. Additionally, this ordinance authorizes the appropriation of \$1,168,543.00 from the Passenger Facility Charge fund as matching share for the FAA grant amount of \$3,505,628.00 to fund the Security Assessment for San Antonio International Airport.

The total project budget is established at \$4,674,171.00. The remaining \$4,235,427.00 will be used for design fees and construction and implementation costs through future ordinances.

Staff recommends the approval of this ordinance.

BACKGROUND INFORMATION

In its Five Year Capital Program, the City has a project to prepare a Security Assessment for San Antonio International Airport. The purpose of this project is to evaluate the current security system and recommend upgrades and modifications to provide state-of-the-art security at San Antonio International Airport. Expected enhancements include new computer hardware and software, new access control and increased security measures through secured accesses.

The project will involve the evaluation of the current facilities and systems. Consideration will be given to the requirements of the airfield security assessment results as well as the new

terminal expansion requirements. The results of this assessment will be used to set priorities, establish cost estimates and scope of services for the design of the selected prioritized items.

The City requested Interest Statements from consulting firms desiring to provide these services. A total of six qualified interest statements were received from the following respondents:

1. AMEC Earth & Environmental
2. Kroll Security Services Group
3. MCM Security Design Consultants
4. OTM Engineering
5. Parsons Transportation Group
6. TEAM Integrated Engineering

All proposals received for this project were evaluated by City staff based on capability, past experience, knowledge and familiarity with similar projects. Six staff members all from the Aviation Department prepared the initial ratings. The City Architectural/Engineer Selection Committee reviewed the ratings and concurred with the results of the ratings and the selection of the four firms for further evaluation through an interview process.

Interviews were conducted with the following short-listed teams:

- AMEC Earth & Environmental
- Kroll Security Services Group
- MCM Security Design Consultants
- Parsons Transportation Group

It is the recommendation of the interview committee that the firm of Parsons Transportation Group be selected for negotiation of a contract for said work based upon demonstrated ability and qualifications. The interview committee consisted of five members representing the Aviation Department (3), Public Works (1) and the Transportation Safety Administration (1). Copies of the rating sheet for the initial ratings and the interview ratings are attached.

POLICY ANALYSIS

This action continues the policy of improving facilities at San Antonio International Airport.

FISCAL IMPACT

The PFC Capital Improvement Fund and FAA Grant Nos. 44 & 46 fund this project. Grant Nos. 44 and 46 totaling \$3,505,628.00 provide Federal funding at 75% for this Project and require a 25% match of Airport funds. Accordingly, this ordinance appropriates \$1,168,543.00 from the PFC Capital Improvement Fund that will serve as matching funds and establishes the project budget of \$4,674,171.00. The remaining \$4,235,427.00 will be used for design fees, construction and implementation costs through future ordinances.


This ordinance will authorize a total expenditure of \$438,744.00 from this appropriation for consulting fees (\$393,404.00), consulting contingencies (\$39,340.00) and administrative expenses (\$6,000.00).


COORDINATION

This request for ordinance has been coordinated with the Public Works and Finance Departments and the Office of Management & Budget.


SUPPLEMENTARY COMMENTS

The ethics disclosure form from Parsons Transportation Group, Inc. is attached.


Kevin C. Dolliole
Aviation Director


J. Rolando Bono
Deputy City Manager

Approved:


Terry M. Brechtel
City Manager

Attachments

**PROJECT: Security Assessment
for
San Antonio International Airport
ARCHITECT/ENGINEER STATEMENT OF INTEREST REVIEW
INTERVIEW RATINGS
CITY OF SAN ANTONIO**

No.	Architect/Engineer Candidates	Aviation Dept.	Transportation Safety Administration	Aviation Dept.	Aviation Dept.	Public Works	Economic Development		Total Rating	Ranking
1	AMEC Earth & Environmental	2	3	2	2	2	3		73.8	2
2	Kroll Security Services Group	4	4	4	3	4	1		64.4	4
3	MCM Security Design Consultants	2	2	3	4	3	1		70.6	3
4	Parsons Corporation	1	1	1	1	1	3		82.6	1
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Notes: * Special Considerations - special expertise regarding codes, ADA, rules, regulations, regulatory agency criteria, etc. of: TNRCC (Texas Natural Resource Conservation Commission), HDRC (Historic and Design Review Commission) and other as applicable to this project.
 ** Percentages for Locally Headquartered Businesses, DBE firms and Small Business Economic Development Advocacy policy compliance will be provided by Economic Development Department.

Reviewer: Rankings

**PROJECT: Security Assessment
for
San Antonio International Airport
ARCHITECT/ENGINEER STATEMENT OF INTEREST REVIEW
CITY OF SAN ANTONIO**

No.	Architect/Engineer Candidates	Aviation Dept.	Aviation Dept.	Aviation Dept.	Aviation Dept.	Aviation Dept.	Aviation Dept.	Economic Development		Total Rating	Ranking
1	AMEC Earth & Environmental	2	1	1	3	1	1	3		78	1
2	Kroll Security Services Group	4	4	1	5	1	3	5		76.167	4
3	MCM Security Design Consultants	1	3	1	1	4	4	5		76.333	3
4	OTM Engineering	5	6	6	6	6	6	1		58.25	6
5	Parsons Corporation	3	2	1	2	1	1	3		77.833	2
6	TEAM Integrated Engineering	6	5	5	4	5	5	2		64.5	5
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 ** Percentages for Locally Headquartered Businesses, DBE firms and Small Business Economic Development Advocacy policy compliance will be provided by Economic Development Department.

Reviewer: Rankings

City of San Antonio Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

* This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract:

Not Applicable

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract:

Parsons Transportation Group, Inc

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

Kell Munoz Architects
Jaster-Quintanilla
Laura Thompson Agency

and the name of:

(B) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

Not Applicable

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

(3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

Not Applicable

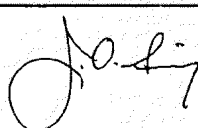
Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
Not Applicable		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature: 	Title: Senior Vice President Company: Parsons Transportation Group	Date: July 20, 2004

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

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**PROFESSIONAL SERVICES AGREEMENT
FOR
ENGINEERING SERVICES**

STATE OF TEXAS

COUNTY OF BEXAR

**AGREEMENT FOR
Security Assessment for San Antonio International Airport**

This AGREEMENT is made and entered into by and between the City of San Antonio (hereinafter referred to as "**CITY**"), a Texas Municipal Corporation acting by and through its City Manager, pursuant to Ordinance No. _____, passed and approved on the _____ day of _____, 200__ and Parsons Transportation Group, Inc., by and through its Senior Vice President, James O. Singer (hereinafter referred to as "**CONSULTANT**"), both of which may be referred to herein collectively as the "**PARTIES**".

IN CONSIDERATION of the mutual covenants, terms, conditions, privileges and obligations herein contained, **CITY** and **CONSULTANT** do hereby agree as follows:

I. DEFINITIONS

As used in this AGREEMENT, the following terms shall have meanings as set out below:

- 1.1 "Director" means the director of **CITY**'s Public Works Department, or the designated project manager identified by the Notice to Proceed.
- 1.2 "Project" means the capital improvement/construction development undertaking of **CITY** for which **CONSULTANT**'s design services, as stated in the Scope of Services, are to be provided pursuant to this AGREEMENT.
- 1.3 "Ab Initio" means from the beginning; from the first act; from the inception. *See Black's Law Dictionary, 5th Ed., © 1983.*
- 1.4 "Respondeat Superior" means let the master answer. This maxim means that a master is liable in certain cases for the wrongful acts of his servant, and a principal for those of his agent. *See Black's Law Dictionary, 5th Ed., © 1983.*

II. PERIOD OF SERVICE

This AGREEMENT shall take effect on the eleventh (11th) calendar day after it is approved by the San Antonio City Council or upon execution by both parties, whichever date is later, and continue in full force and effect for the period required for completion of the duties as set forth in the Scope of Services.

III. SCOPE OF SERVICES

3.1 **CONSULTANT** shall not commence work until **CONSULTANT** has been thoroughly briefed on the scope of Project, and has been notified in writing by Director to proceed. **CONSULTANT** shall provide a written summary of the scope meeting, including a description of the Project's scope and **CONSULTANT's** services required by said scope. Should the scope subsequently change, either party may request a review of the anticipated services, with an appropriate adjustment in fees; however, such adjustment cannot exceed the maximum allowed for additional services in Article V, Compensation, and cannot substantially alter the original scope of this AGREEMENT.

3.2 **CONSULTANT**, in consideration for the compensation herein provided, shall render the professional services necessary for the development of the Project to substantial completion, including plans and specifications, construction services and any special and general conditions and instruction to bidders as acceptable to Director.

3.3 **CONSULTANT** shall be represented by a professional engineer licensed to practice in the State of Texas at meetings of any official nature concerning the Project, including but not limited to scope meetings, review meetings and other meetings as may be required by the Project development process. All design submittals shall carry the signature and seal or, in the case of progress, or incomplete submittals, an appropriate disclaimer with the professional engineer's name and license number, with the date of the submittal adjacent thereto of a licensed professional engineer.

3.4 **CONSULTANT** shall complete the work listed in this Article III "Scope of Services", including all attachments hereto, in accordance with the Production Schedule in Attachment "B" of this AGREEMENT. Director may, in writing, extend any delivery dates contained in said Attachment "B", Production Schedule, as requested by **CONSULTANT**.

It is agreed to and understood that this contract includes only the assessment phase of the Project. Should the City elect to proceed with the Project, a detailed scope of services and fees will be negotiated based on the selected alternative(s) and this contract will be amended by City Council action. Upon approval by City Council and upon written authorization to proceed, the Consultant shall initiate the Design Phase.

3.5 Upon acceptance and approval of the plans, reports or other producibles required for a phase of work, as set forth in the Scope of Services, Director shall authorize **CONSULTANT**, in writing, to proceed with the next phase of work.

3.6 The following is a list of all the documents that comprise the Scope of Services for this Project: Each such document is attached hereto and incorporated herein for all purposes. **CONSULTANT** agrees to perform all work required by this Scope of Services.

3.6.1 ATTACHMENT "A" (Scope of Services)

3.6.2 ATTACHMENT "B" – (Production Schedule)

3.6.3 ATTACHMENT "C" – (Consultant's Fee Proposal and SBEDA Participation Statement From Consultant's Interest Statement)

3.6.4 ATTACHMENT "D" – (Grant Assurances)

3.6.5 ATTACHMENT "E" - (Confidentiality Agreement)

IV. COORDINATION WITH THE CITY

4.1 CONSULTANT shall hold periodic conferences with Director, so that the project, as developed, shall have the full benefit of CITY's experience and knowledge of existing needs and facilities and be consistent with its current policies and standards. No more than two conferences shall be held per phase, unless otherwise agreed to by Parties. CITY shall make available, for CONSULTANT's use, all existing plans, maps, field notes, statistics, computations, and other data in its possession relative to existing facilities and to this Project as may be requested by CONSULTANT at no cost to CONSULTANT.

4.2 Director shall act on behalf of CITY with respect to the work performed under this AGREEMENT. He shall have complete authority to transmit instructions, receive information, and interpret and define CITY's policies and decisions with respect to materials, equipment elements and systems pertinent to CONSULTANT's services.

4.3 CITY shall provide written notice to the CONSULTANT of any errors or omissions discovered in the CONSULTANT's services, or performance, or of any development that affects the scope or timing of CONSULTANT's services.

4.4 CONSULTANT shall complete all applications and furnish all required data, as set forth in the Scope of Services, compiled by CONSULTANT for CITY's use in obtaining any permits or approvals from governmental authorities having jurisdiction over the Project as may be necessary for completion of the Project. CONSULTANT shall not be obligated to develop additional data, prepare extensive reports or appear at hearings in order to obtain said permits or approvals, unless compensated therefore as provided in Article V, entitled "Compensation".

V. COMPENSATION

5.1 For and in consideration of the services to be rendered by CONSULTANT, CITY shall pay CONSULTANT the fee set forth in this Article V, Compensation. CITY may request CONSULTANT to perform an engineering study to refine the Project scope. Payment for such a study will be negotiated in accordance with Article V, Section 5.5 herein.

5.2 Nothing contained in this AGREEMENT shall require CITY to pay for any unsatisfactory work, as determined by Director, or for work that is not in compliance with the terms of this AGREEMENT. CITY shall not be required to make any payments to CONSULTANT at any time CONSULTANT is in default under this AGREEMENT.

5.3 BASIS FOR COMPENSATION

A. The total fee for CONSULTANT's base work as defined in the Scope of Services shall be as a lump sum of Three Hundred Thirty Nine Thousand Seven Hundred Sixty Eight and 00/100 dollars (\$339,768.00).

B. **CONSULTANT** may submit invoices for partial payment prior to submittal of review documents as outlined below. **CONSULTANT** must submit a written progress report detailing work performed for the billing period reflected in the invoice. A partial payment made must be in proportion to the work performed as reflected in the report and approved by Director. Partial payments shall be payable no later than thirty (30) days following acceptance by Director. Partial payments shall not exceed 70% of each phase prior to acceptance of that phase by **CITY**. The balance due for that phase will be paid upon acceptance of the phase by **CITY**. **CITY** shall have no more than 45 days from the date of submittal within which to review and approve or reject said phase. If no action has been taken by Director at the expiration of the 45 day review period, said phase shall be deemed approved. If any phases are authorized to be omitted then the percentage allocation will be applied to the next appropriate phase. Payments shall be made to the **CONSULTANT** in accordance with Attachment C.

5.4 MODIFICATIONS - **CONSULTANT** and **CITY** acknowledge the fact that the base fee as determined in section 5.3(A) above has been established predicated upon the total estimated costs of services to be rendered under the AGREEMENT. For additional services, compensation shall be subject to renegotiations in accordance with section 5.5 below.

5.5 COMPENSATION FOR ADDITIONAL PROFESSIONAL SERVICES

CONSULTANT may be required to perform the additional services listed in 5.5(B) below, subject to appropriations having been made therefore, in connection with this AGREEMENT. Should **CONSULTANT** be directed in writing by Director to perform these services, compensation shall be paid by **CITY** to **CONSULTANT** as authorized in writing by Director, as follows:

A. The basis for compensation for additional services may be in one or more of the following forms:

- (1) Rate for testimony of principals to be negotiated.
- (2) Non-Principal - Salary cost times a multiplier of 2.5 with a stated maximum not to be exceeded.
- (3) Principal - hourly rate set forth in 5.5(D) herein with a stated maximum not to be exceeded.
- (4) Reimbursement of non-labor expenses and **CITY** directed subcontract expenses at invoice cost plus a 15% service charge.
- (5) Lump sum per item of work to be negotiated.
- (6) Lump sum to be negotiated.

B. Additional services include, but are not limited to the following:

- (1) Assistance to **CITY** as an expert witness in any litigation with third parties, arising from the development or construction of the Project including the preparation of engineering data and reports.
- (2) Preparation of plats and field notes for acquisition of property required for the construction of the project.
- (3) Site visits for ROW pin locating and/or setting for utility companies.
- (4) Preparation of applications and supporting documents for governmental grants, loans, or advances in connection with the Project.
- (5) Preparation or review of environmental assessments and impact statements.
- (6) Review and evaluation of the effect on design requirements of the Project of any assessments, statements, or documents prepared by others.
- (7) Assistance in obtaining approvals of authorities having jurisdiction over the anticipated environmental impact of the Project.
- (8) Revising previously accepted studies, reports, design documents or AGREEMENT documents when such revisions are required by changes in laws, rules, regulations, ordinances, codes, standards, design criteria or orders enacted subsequent to the preparation of such studies, reports, and documents, or are due to causes beyond **CONSULTANT's** control.
- (9) Preparation of feasibility studies not required in the base AGREEMENT.
- (10) Detailed quantity surveys of materials, equipment and labor during or after construction phase.
- (11) Services in making revisions to Drawings and Specifications occasioned by the acceptance of substitutions by **CITY** proposed by the **CONTRACTOR** retained to construct the designed Project; and services after the award of each **CONTRACT** in evaluating and determining the acceptability of an unreasonable and excessive number of substitutions proposed by **CONTRACTOR**.
- (12) Services after the completion of the Construction Phase, such as inspections during any guarantee period and reporting observed discrepancies under guarantee called for in any contract for the Project.
- (13) Additional copies of reports, drawings and specifications over the number specified in the base AGREEMENT.
- (14) Preparation of all documents dealing with 404 permits, highway permits, and railroad agreements.
- (15) Preparation of driveway plats.
- (16) Obtaining Right of Entry Agreements on behalf of **CITY** for driveway penetrations.
- (17) Detailed measurements and surveys for exploration for utilities, if required.
- (18) Preparation of record drawing after completion of work by **CONTRACTOR**.
- (19) Actual performance of test borings and other soil or foundation investigations and related analysis.
- (20) Tree surveys.

C. Salary Cost - Salary cost is defined as the cost of salaries of engineers, draftsmen, stenographers, surveyors, clerks, laborers, etc. for time directly chargeable to the Project,

plus customary and statutory benefits including but not limited to social security contributions, unemployment, excise and payroll taxes, employment compensation insurance, retirement benefits, medical and insurance benefits, sick leave, vacation and holiday pay applicable thereto.

- a. The amount of customary and statutory benefits of all personnel other than Principals of the Consulting Firm will be considered equal to 49.1% of salaries or wages.

D. Principals of the Consulting Firm - For the purpose of this provision, the Principals of the Consulting Firm and their total hourly charge will be as follows, except as stated previously for testimony as expert witnesses:

<u>Principal Name</u>	<u>Hourly Charge</u>
Alex A. Ralli	\$200.00

5.6 MAXIMUM COMPENSATION FOR ADDITIONAL SERVICES – Total cumulative costs for the additional services listed in Section 5.5 or in Article VI below shall not exceed that amount appropriated by CITY as set forth in the ordinance authorizing this AGREEMENT, without prior authorization of the San Antonio City Council by passage of an ordinance therefore.

VI. REVISIONS TO DRAWINGS AND SPECIFICATIONS

CONSULTANT shall provide, at no expense to **CITY**, reasonable minor revisions to any phase, whether previously approved and accepted, as may be required to satisfy the scope of services established by this AGREEMENT. Approval of any phase constitutes **CITY's** acceptance of the design presented. After acceptance of each phase of the Project, any revisions, additions, or modifications made at **CITY's** request which constitute a change in the Scope of Services shall be subject to additional compensation to **CONSULTANT** as agreed upon by **CITY**, subject to Article V, Section 5.6 above.

VII. OWNERSHIP OF DOCUMENTS

7.1 **CONSULTANT** acknowledges and agrees that **CITY** shall own exclusively any and all information in whatsoever form and character produced and/or maintained in accordance with, pursuant to, or as a result of this AGREEMENT and shall be used as **CITY** desires and shall be delivered to **CITY** at no additional cost to **CITY** upon request or completion or termination of this AGREEMENT without restriction on future use.

7.2 **CONSULTANT** agrees and covenants to protect any and all proprietary rights of **CITY** in any materials provided to **CONSULTANT**. Such protection of proprietary rights by **CONSULTANT** shall include, but not be limited to, the inclusion in any copy intended for publication of copyright mark reserving all rights to **CITY**. Additionally, any materials provided to **CONSULTANT** by **CITY** shall not be released to any third party without the consent of **CITY** and shall be returned intact to **CITY** upon completion or termination of this AGREEMENT.

7.3 **CONSULTANT** hereby assigns all statutory and common law copyrights to any copyrightable work that was produced from this AGREEMENT to **CITY**, including all moral rights. No reports, maps, documents or other copyrightable works produced in whole or in part by this AGREEMENT shall be subject of an application for copyright by **CONSULTANT**. All reports, maps, project logos, drawings or other copyrightable work produced under this AGREEMENT shall become the property of **CITY** (excluding any instrument of services, unless otherwise specified herein). **CONSULTANT** shall, at its expense, defend all suits or proceedings instituted against **CITY** and pay any award of damages or loss resulting from an injunction, against **CITY**, insofar as the same are based on any claim that materials or work provided by **CONSULTANT** under this AGREEMENT constitute an infringement of any patent, trade secret, trademark, copyright or other intellectual property rights.

7.4 **CONSULTANT** may make copies of any and all documents and items for its files. **CONSULTANT** shall have no liability for changes made to or use of the drawings, specifications and other documents by other engineers, or other persons, subsequent to the completion of the Project. **CITY** shall require that any such change or other use shall be appropriately marked to reflect what was changed or modified.

7.5 Copies of documents that may be relied upon by **CITY** are limited to the printed copies (also known as hard copies) that are sealed and signed by **CONSULTANT**. Files in electronic media format of text, data, graphics, or other types that are furnished by **CONSULTANT** to **CITY** are only for convenience of **CITY**. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk.

VIII. TERMINATION AND/OR SUSPENSION OF WORK

8.1 For purposes of this AGREEMENT, termination of this AGREEMENT shall mean termination by expiration of the AGREEMENT term or earlier termination pursuant to any of the provisions hereof.

8.2 Termination Without Cause.

8.2.1 This AGREEMENT may be terminated by either party upon written notice in accordance with Article XVIII, Notice. Such notice must specify an effective date of termination, which shall be not less than thirty (30) calendar days after the date of receipt of the notice by the other Party. If the notice does not specify a date of termination, the effective date of termination shall be thirty (30) calendar days after receipt of the notice by the other Party.

8.2.2 This AGREEMENT may be terminated by **CITY** prior to Director giving **CONSULTANT** written notice to proceed pursuant to Article III, Section 3.1, should Director, at his sole discretion, determine that it is not in **CITY**'s best interest to proceed with this AGREEMENT. Such notice shall be provided in accordance with Article XVIII, Notice and shall be effective upon delivery by **CITY** in accordance with Article XVIII.

8.2.3 **CITY** shall equitably compensate **CONSULTANT** in accordance with the terms of this AGREEMENT for the Services properly performed prior to the effective date of termination,

following inspection and acceptance of same by **CITY**. **CONSULTANT** shall not, however, be entitled to lost or anticipated profits should **CITY** choose to exercise its option to terminate.

8.3 Defaults With Opportunity for Cure.

Should **CONSULTANT** fail to provide the required designs and/or documents required by Article III, Scope of Services by the due dates establish in Article III, Attachment B, Production Schedule, in acceptable form, as indicated in said Scope of Services as approved by Director, same shall be considered a default. However, Parties agree that no default shall be considered to occur where **CONSULTANT**'s failure to provide the designs and/or documents is directly caused by the actions of **CITY**. **CITY** shall deliver written notice of said default specifying such matter(s) in default. **CONSULTANT** shall have ten (10) days after receipt of the written notice, in accordance with Article XVIII, Notice, to cure such default. If **CONSULTANT** fails to cure the default within such ten-day cure period, **CITY** shall have the right, without further notice, to terminate this AGREEMENT in whole or in part as **CITY** deems appropriate, and to CONTRACT with another contractor to complete the work required in this AGREEMENT. **CITY** shall also have the right to offset the cost of said new CONTRACT with a new contractor against **CONSULTANT**'s future or unpaid invoice(s), subject to the duty on the part of **CITY** to mitigate its losses to the extent required by law.

8.4 Termination For Cause. Upon written notice, **CITY** may terminate this AGREEMENT upon the occurrence of one (1) or more of the following events, each of which shall constitute an Event for Cause under this AGREEMENT:

8.4.1 **CONSULTANT** makes or allows to be made any material misrepresentation or provides any materially misleading information in connection with this AGREEMENT, including, but not limited to, **CONSULTANT**'s Interest Statement, or any covenant, obligation, term or condition contained in this AGREEMENT; or

8.4.2 **CONSULTANT** violates or fails to perform any covenant, provision, obligation, term or condition of a material nature contained in this AGREEMENT, except those events of default for which an opportunity to cure is provided herein; however, if such default as provided in Section 8.3, Defaults with Opportunity for Cure, exceeds the following, same shall be considered an Event for Cause, subject to the remedies as provided herein:

(A) **CONSULTANT** fails to cure a default listed in Section 8.3 within the time period required for cure; or

(B) **CONSULTANT** is in default as provided in Section 8.3 on more than one occasion in any consecutive twelve (12) month period.

8.4.3 **CONSULTANT** attempts to assign this AGREEMENT contrary to the terms hereof; or experiences a change in ownership interest greater than thirty percent (30%), or control of its business entity; or

- 8.4.4 **CONSULTANT** ceases to do business as a going concern; makes an assignment for the benefit of creditors; admits in writing its inability to pay debts as they become due; files a petition in bankruptcy or has an involuntary bankruptcy petition filed against it (except in connection with a reorganization under which the business of such party is continued and performance of all its obligations under this AGREEMENT shall continue); or if a receiver, trustee or liquidator is appointed for it or any substantial part of **CONSULTANT**'s assets or properties; or
- 8.4.5 **CONSULTANT** fails to comply materially with the insurance requirements set forth in this AGREEMENT; or
- 8.4.6 **CONSULTANT** violates any rule, regulation or law by which **CONSULTANT** is bound or shall be bound while and in performing the services required under this AGREEMENT.

8.5 **Termination By Law.** If any state or federal law or regulation is enacted or promulgated which prohibits the performance of any of the duties herein, or, if any law is interpreted to prohibit such performance, this AGREEMENT shall automatically terminate as of the effective date of such prohibition.

8.6 **Effect of Termination.** Notwithstanding Section 8.3, Defaults with Opportunity for Cure, upon a decision to terminate by **CITY**, written notice of such shall be immediately provided to **CONSULTANT** specifying the effective date of termination, notice of which shall be given in accordance with Article XVIII, Notice.

8.6.1 Regardless of how this AGREEMENT is terminated, and subject to 8.6.2, **CONSULTANT** shall affect an orderly transfer to **CITY** or to such person(s) or firm(s) as the **CITY** may designate, at no additional cost to **CITY**, all completed or partially completed specifications and reproducible of all completed or partially completed designs and plans prepared pursuant to this AGREEMENT, documents, papers, records, charts, reports, and any other materials or information produced as a result of or pertaining to the services rendered by **CONSULTANT**, or provided to **CONSULTANT**, hereunder in accordance with Article VII, Ownership of Documents. Any record transfer shall be completed within thirty (30) calendar days of the termination date and shall be completed at **CONSULTANT**'s sole cost and expense. Payment of compensation due or to become due to **CONSULTANT** is conditioned upon delivery of all such documents.

8.6.2 Within forty-five (45) calendar days of the effective date of completion, or termination or expiration of this AGREEMENT, **CONSULTANT** shall submit to **CITY** its claims, in detail, for the monies owed by **CITY** for services performed under this AGREEMENT through the effective date of termination. Failure by **CONSULTANT** to submit its claims within said forty-five (45) calendar days shall negate any liability on the part of **CITY** and constitute a **Waiver** by **CONSULTANT** of any and all right or claims to collect moneys that **CONSULTANT** may rightfully be otherwise entitled to for services performed pursuant to this AGREEMENT.

8.6.3 Upon the effective date of expiration or termination of this AGREEMENT, **CONSULTANT** shall cease all operations of work being performed by **CONSULTANT** or any of its subcontractors pursuant to this AGREEMENT.

8.6.4 **Termination not sole remedy.** In no event shall **CITY's** action of terminating this AGREEMENT, whether for cause or otherwise, be deemed an election of **CITY's** remedies, nor shall such termination limit, in any way, at law or at equity, **CITY's** right to seek damages from or otherwise pursue **CONSULTANT** for any default hereunder or other action.

8.7 Right of **CITY** to Suspend Giving Rise to Right of **CONSULTANT** to Terminate.

8.7.1 **CITY** may suspend this AGREEMENT at the end of any phase for the convenience of **CITY** by issuing a signed, written notice of suspension (citing this paragraph) as provided in Article XVIII, Notice, which shall outline the reasons for the suspension and the duration of the suspension. However, it is understood and agreed by the Parties that the total number of days of suspension as reflected in said notice is not guaranteed, and in fact, may be shorter or longer. Such suspension shall take effect upon the date set forth in the notice, or if no date is set forth, immediately upon **CONSULTANT's** receipt of said notice.

8.7.2 **CONSULTANT** may terminate this AGREEMENT in the event such suspension exceeds one hundred and twenty (120) calendar days. **CONSULTANT** may exercise this right to terminate by issuing a signed, written notice of termination, in accordance with Article XVIII, Notice, (citing this paragraph) to **CITY** after the expiration of one hundred and twenty (120) calendar days from the effective date of the suspension. Termination pursuant to this paragraph shall become effective immediately upon receipt of said written notice by **CITY**.

8.8 Procedures for **CONSULTANT** to follow upon Receipt of Notice of Suspension.

8.8.1 Upon receipt of written notice of suspension, **CONSULTANT** shall, unless the notice otherwise directs, immediately discontinue all services in connection with the performance of this agreement and cancel all existing orders and contracts.

8.8.2 **CONSULTANT** shall prepare a statement showing in detail the services performed under this agreement prior to the effective date of suspension except as otherwise required by 8.8.3.

8.8.3 All completed or partially completed designs, plans and specifications prepared under this agreement prior to the effective date of suspension shall be prepared for possible delivery to **CITY** but shall be retained by **CONSULTANT** until such time as **CONSULTANT** may exercise the right to terminate.

8.8.4 In the event that **CONSULTANT** exercises the right to terminate after the suspension date as provided by this Article, within thirty (30) calendar days after receipt by **CITY**

of **CONSULTANT's** notice of termination, **CONSULTANT** shall submit the above referenced statement showing in detail the services performed under this agreement prior to the effective date of suspension. Nothing in this section 8.8.4 shall prevent **CONSULTANT** from submitting invoices for partial payments for work performed prior to the termination date as provided by Article V, Compensation.

8.8.5 Additionally, any documents prepared in association with this AGREEMENT shall be delivered to **CITY** by **CONSULTANT**, as a pre-condition to final payment, within thirty (30) calendar days after receipt by **CITY** of **CONSULTANT's** notice of termination.

8.8.6 Upon the above conditions being met, **CITY** shall pay **CONSULTANT** that proportion of the prescribed fee which the services actually performed under this agreement bear to the total services called for under this agreement, less previous payments of the fee.

8.8.7 **CITY**, as a public entity, has a duty to document the expenditure of public funds. **CONSULTANT** acknowledges this duty on the part of **CITY**. To this end, **CONSULTANT** understands that failure of **CONSULTANT** to substantially comply with the submittal of the statements and documents as required herein shall constitute a waiver by **CONSULTANT** of any portion of the fee for which **CONSULTANT** did not supply such necessary statements and/or documents.

IX. INSURANCE REQUIREMENTS

9.1 Prior to the commencement of any work under this AGREEMENT, **CONSULTANT** shall furnish an original completed Certificate of Insurance to **CITY's** Public Works Department and **CITY's** Risk Management Division, and shall be clearly labeled "INSERT NAME OF PROJECT", which shall be completed by an agent authorized to bind the named underwriter(s) and their company to the coverage, limits, and termination provisions shown thereon, containing all required information referenced or indicated thereon. The original certificate must have the agent's original signature, including the signer's company affiliation, title and phone number, and be mailed directly from the agent to **CITY**. **CITY** shall have no duty to pay or perform under this AGREEMENT until such certificate shall have been delivered to **CITY's** Public Works Department and **CITY's** Risk Management Office, and no officer or employee shall have authority to waive this requirement.

9.2 **CONSULTANT's** financial integrity is of interest to **CITY**, therefore, subject to **CONSULTANT's** right to maintain reasonable deductibles in such amounts as are approved by **CITY**, **CONSULTANT** shall obtain and maintain in full force and effect for the duration of this AGREEMENT, and any extension hereof, at **CONSULTANT's** sole expense, insurance coverage written on an occurrence basis, except for professional liability, by companies authorized, approved or admitted to do business in the State of Texas and rated A- or better by A.M. Best Company and/or otherwise acceptable to **CITY**, in the following types and amounts:

TYPE

MINIMUM AMOUNTS

1. Workers' Compensation	Statutory
2. Employers' Liability	\$500,000/\$500,000/\$500,000
3. Commercial General (public) Liability Insurance to include coverage for the following: a. Premises/Operations b. Independent Contractors c. Products/completed operations d. Personal Injury e. Contractual liability	<u>Combined Single Limit for Bodily Injury and Property Damage</u> of \$1,000,000 per; General Aggregate limit of \$5,000,000 occurrence or its equivalent in umbrella or excess liability coverage
4. Business Automobile Liability a. Owned/Leased Vehicles b. Non-Owned Vehicles c. Hired Vehicles	Combined Single Limit for Bodily Injury and Property Damage of \$1,000,000 per occurrence
5. Professional Liability (Claims made form)	\$1,000,000 per claim to pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages by reason of any negligent act, malpractice, error or omission in professional services.

9.3 Upon the presentation to CONSULTANT of a written claim against the CITY, which claim is alleged on its face to have arisen from the negligent acts or omissions of CONSULTANT and a written request by the CITY for the same, CONSULTANT shall, without expense to the CITY, make available to the CITY copies of the policies and all endorsements thereto as they apply to the limits required by the CITY solely for the purpose of an *in camera* inspection at CONSULTANT's offices in San Antonio during normal business hours. CITY shall not be entitled to keep copies or images of such policies or endorsements, nor shall CITY be entitled to make written notes memorializing the text or substance of such policies or endorsements.

9.4 CONSULTANT agrees that with respect to the above required insurance, all insurance contracts and Certificate(s) of Insurance will contain the following required provisions:

- Name CITY and its officers, employees, and elected representatives as additional insureds as respects operations and activities of, or on behalf of, the named insured performed under contract with CITY, with the exception of the workers' compensation and professional liability policies;
- Provide for an endorsement that the "other insurance" clause shall not apply to the City of San Antonio where CITY is an additional insured shown on the policy;
- Workers' compensation and employers' liability policy will provide a waiver of subrogation in favor of CITY.

9.5 When there is a cancellation, non-renewal or material change in coverage which is not made pursuant to a request by **CITY**, **CONSULTANT** shall notify **CITY** of such and shall give such notices not less than thirty (30) days prior to the change, if **CONSULTANT** knows of said change in advance, or ten (10) days notice after the change, if the **CONSULTANT** did not know of the change in advance. In the event of cancellation or non-renewal, such notice must be accompanied by a replacement Certificate of Insurance. All notices under this Article shall be given to **CITY** at the following addresses:

City of San Antonio	City of San Antonio
Aviation Department – Planning & Eng	Risk Management
9800 Airport Blvd.	506 Dolorosa
San Antonio, Texas 78216	San Antonio, Texas 78205

9.6 If **CONSULTANT** fails to maintain the aforementioned insurance, or fails to secure and maintain the aforementioned endorsements, **CITY** may obtain such insurance, and deduct and retain the amount of the premiums for such insurance from any sums due under the AGREEMENT; however, procuring of said insurance by **CITY** is an alternative to other remedies **CITY** may have, and is not the exclusive remedy for failure of **CONSULTANT** to maintain said insurance or secure such endorsement. In addition to any other remedies **CITY** may have upon **CONSULTANT**'s failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, **CITY** shall have the right to order **CONSULTANT** to stop work hereunder, and/or withhold any payment(s) which become due to **CONSULTANT** hereunder until **CONSULTANT** demonstrates compliance with the requirements hereof. A stop work order given to **CONSULTANT** by **CITY** in accordance with this Article shall not constitute a Suspension of Work pursuant to Article VIII, Section 8.7.

9.7 Nothing herein contained shall be construed as limiting in any way the extent to which **CONSULTANT** may be held responsible for payments of damages to persons or property resulting from **CONSULTANT**'s or its subcontractors' performance of the work covered under this AGREEMENT.

9.8 It is agreed that **CONSULTANT**'s insurance shall be deemed primary with respect to any insurance or self insurance carried by **CITY** of San Antonio for liability arising out of operations under this AGREEMENT.

X. INDEMNIFICATION

10.1 **CONSULTANT**, whose work product is the subject of this AGREEMENT for engineering services, agrees to INDEMNIFY AND HOLD **CITY**, ITS ELECTED OFFICIALS, OFFICERS AND EMPLOYEES HARMLESS against any and all claims, lawsuits, judgments, cost, liens, losses, expenses, fees (including attorney's fees and costs of defense), proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal injury (including death), property damage, or other harm for which recovery of damages is sought that may ARISE OUT OF OR BE OCCASIONED OR CAUSED BY **CONSULTANT**'S NEGLIGENT ACT, ERROR, OR OMISSION OF **CONSULTANT**, ANY

AGENT, OFFICER, DIRECTOR, REPRESENTATIVE, EMPLOYEE, CONSULTANT OR SUBCONSULTANT OF CONSULTANT, AND THEIR RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, DIRECTORS AND REPRESENTATIVES while in the exercise of performance of the rights or duties under this AGREEMENT. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of CITY, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. IN THE EVENT CONSULTANT AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

10.2 CONSULTANT shall advise CITY in writing within 24 hours of any claim or demand against CITY or CONSULTANT known to CONSULTANT related to or arising out of CONSULTANT's activities under this AGREEMENT.

10.3 The provisions of this section are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

XI. ENGINEER'S LIABILITY

11.1 Acceptance of the final plans by CITY shall not constitute nor be deemed a release of the responsibility and liability of CONSULTANT, its employees, associates, agents or subcontractors for the accuracy and competency of their designs, working drawings, specifications or other documents and work; nor shall such acceptance be deemed an assumption of responsibility or liability by CITY for any defect in the designs, working drawings, specifications or other documents and work prepared by said CONSULTANT, its employees, subcontractors, and agents.

11.2 Standard of Care: Services provided by CONSULTANT under this AGREEMENT will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances.

XII. LICENSING

CONSULTANT shall utilize qualified personnel to complete the work to be performed under this AGREEMENT, and all work performed under this AGREEMENT is to be executed under the direct supervision of a licensed professional engineer as required by state law. Persons retained to perform work pursuant to this AGREEMENT shall be the employees or subcontractors of CONSULTANT. CONSULTANT or its subcontractors shall perform all necessary work.

XIII. ASSIGNMENT OF RIGHTS OR DUTIES

13.1 By entering into this AGREEMENT, CITY has approved the use of any subcontractors identified in CONSULTANT's Interest Statement. No further approval shall be needed for

CONSULTANT to use such subcontractors as are identified in **CONSULTANT's** Interest Statement.

13.2 Except as otherwise required herein, **CONSULTANT** may not sell, assign, pledge, transfer or convey any interest in this AGREEMENT nor delegate the performance of any duties hereunder, by transfer, by subcontracting or any other means, without the consent of **CITY**. Actual engineering services, those required by law to be performed by a licensed engineer, or services to be performed which, by law, require the supervision and approval of a licensed engineer, may only be subcontracted upon the written approval of the San Antonio City Council, by approval and passage of an ordinance therefore. Any other services to be performed under this AGREEMENT may be subcontracted upon the written approval of Director.

13.3 As a condition of consent, if same is given, **CONSULTANT** shall remain liable for completion of the services outlined in this AGREEMENT in the event of default by the successor consultant, assignee, transferee or subcontractor. Any references in this AGREEMENT to an assignee, transferee, or subcontractor, indicate only such an entity as has been approved by **CITY** in accordance with this Article.

13.4 Any attempt to assign, transfer, pledge, convey or otherwise dispose of any part of, or all of its right, title, interest or duties to or under this AGREEMENT, without said written approval, shall be void ab initio and shall confer no rights upon any third person. Should **CONSULTANT** assign, transfer, convey or otherwise dispose of any part of, or all of its right, title or interest or duties to or under this AGREEMENT, **CITY** may, at its option, terminate this AGREEMENT in accordance with Article VIII, Termination, and all rights, titles and interest of **CONSULTANT** shall thereupon cease and terminate, notwithstanding any other remedy available to **CITY** under this AGREEMENT. The violation of this provision by **CONSULTANT** shall in no event release **CONSULTANT** from any obligation under the terms of this AGREEMENT, nor shall it relieve or release **CONSULTANT** from the payment of any damages to **CITY**, which **CITY** sustains as a result of such violation.

13.5 **CONSULTANT** agrees to notify Director of any changes in ownership interest greater than thirty percent (30%), or control of its business entity not less than sixty (60) days in advance of the effective date of such change. Notwithstanding any other remedies that are available to **CITY** under this AGREEMENT, any such change of ownership interest or control of its business entity may be grounds for termination of this AGREEMENT in accordance with Article VIII, Termination.

XIV. INDEPENDENT CONTRACTOR

14.1 **CONSULTANT** covenants and agrees that (s)he is an independent contractor and not an officer, agent, servant, or employee of **CITY**; that **CONSULTANT** shall have exclusive control of and exclusive right to control the details of the work performed hereunder and all persons performing same, and shall be responsible for the acts and omissions of its officers, agents, employees, contractors, and subcontractors; that the doctrine of respondeat superior shall not apply as between **CITY** and **CONSULTANT**, its officers, agents, employees, contractors, and subcontractors, and nothing herein shall be construed as creating a partnership or joint enterprise between **CITY** and **CONSULTANT**.

14.2 No Third Party Beneficiaries - For purposes of this AGREEMENT, including its intended operation and effect, the Parties specifically agree and CONTRACT that: (1) this AGREEMENT only affects matters/disputes between the Parties to this AGREEMENT, and is in no way intended by the Parties to benefit or otherwise affect any third person or entity, notwithstanding the fact that such third person or entities may be in a contractual relationship with **CITY** or **CONSULTANT** or both, or that such third parties may benefit incidentally by this AGREEMENT; and (2) the terms of this AGREEMENT are not intended to release, either by contract or operation of law, any third person or entity from obligations owing by them to either **CITY** or **CONSULTANT**.

XV. EQUAL EMPLOYMENT OPPORTUNITY

CONSULTANT shall not engage in employment practices which have the effect of discriminating against any employee or applicant for employment, and, will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to their race, color, religion, national origin, sex, age, handicap, or political belief or affiliation. Specifically, **CONSULTANT** agrees to abide by all applicable provisions of San Antonio City ordinance number 69403 on file in the City Clerk's office.

XVI. SBEDA REQUIREMENTS

16.1 **CONSULTANT** hereby acknowledges that it is the policy of the **CITY** of San Antonio to assist in increasing the competitiveness and qualifications of small ("SBE"), women ("WBE"), handicapped and minority-owned business ("MBE") enterprises in order to afford greater opportunities for obtaining and participating in contracts, related subcontracts, and leases and concessions awarded by **CITY**. This policy and its implementation is known as the Small Business Economic Development Advocacy Program (hereinafter referred to as "SBEDA Program").

16.2 **CONSULTANT** agrees to implement the plan submitted in **CONSULTANT**'s response to **CITY**'s Request for Interest Statement under the SBEDA Program for Small, Minority and Women-owned Business Participation in this AGREEMENT, thereby meeting the percentages for participation of those groups as submitted therein. **CONSULTANT** agrees to be in full compliance with this article by meeting the percentages listed in **CONSULTANT**'s Interest Statement no later than 60 days from the date of execution of this AGREEMENT, and to remain in compliance throughout the term of this AGREEMENT. **CONSULTANT** further agrees to continue to make every effort to utilize businesses for subcontracting and supplying during the duration of this AGREEMENT, as may be approved pursuant to this AGREEMENT, that will meet the percentages submitted in **CONSULTANT**'s Interest Statement. Changes in contract value by changes in work orders, AGREEMENT amendments, or use of contract alternatives, which result in an increase in the value of the AGREEMENT by 10% or greater require the **CONSULTANT** to increase its use of business enterprises described in this section, if such is necessary to maintain the same percentages as exist in **CONSULTANT**'s Interest Statement. However, the delegation of any duties hereunder by any means must be approved by **CITY** as stated herein.

16.3 **CONSULTANT** shall maintain records showing all contracts, subcontracts, and supplier awards to SBE/MBE/WBE's. **CONSULTANT** shall submit annual reports to **CITY**'s Department of Economic Development, identifying the above activity and other efforts at increasing

SBE/MBE/WBE participation in the AGREEMENT. Further, such records shall be open to inspection by CITY or its authorized agent at all reasonable times. Should CITY find that CONSULTANT is not in compliance with this article, CITY shall give notice of non-compliance to CONSULTANT. CONSULTANT shall have 30 calendar days to correct any and all deficiencies in compliance with this article. Failure to comply with this article and/or to correct any deficiencies within the time allotted shall be considered a material breach of this AGREEMENT and may subject CONSULTANT to any of the penalties listed in CITY of San Antonio Ordinance No. 77758, at CITY's option. Further, such failure may be considered a default for which CITY may terminate this AGREEMENT in accordance with Article VIII, Termination.

16.4 CONSULTANT shall appoint a representative of its company to administer and coordinate its efforts to carry out these requirements.

16.5 In all events, CONSULTANT shall comply with the CITY's Small, Business Economic Development Advocacy Program, contained in San Antonio Ordinance No. 77758, and the amendments thereto. Said ordinances are incorporated herein for all purposes, as if fully set forth herein.

16.6 It is CITY's understanding, and this AGREEMENT is made in reliance thereon, that CONSULTANT, in the performance of services required hereunder, will use the subcontractor(s) listed in its response to CITY's Request for Interest Statement.

16.7 Any work or services subcontracted by CONSULTANT shall be by written contract, and unless specific waiver is granted in writing by CITY, shall be subject by its terms to each and every provision of this AGREEMENT. Compliance by subcontractor with the provisions of said contract shall be the responsibility of CONSULTANT.

16.8 CITY shall in no event be obligated to any third party, including any subcontractor of CONSULTANT, for performance or services or payment of fees.

XVII. ESTIMATES OF COST

Because CONSULTANT has no control over the cost of construction labor, materials or equipment or over the construction contractor's methods of determining prices, or over competitive bidding or market conditions, CONSULTANT's opinions of probable construction cost provided herein shall be made on the basis of CONSULTANT's experience and qualifications and represent CONSULTANT's best judgment as a design professional familiar with the construction industry. CONSULTANT cannot and does not guarantee that proposals, bids or the construction cost will not vary from opinions of probable cost prepared by CONSULTANT.

XVIII. NOTICES

Unless otherwise expressly provided elsewhere in this AGREEMENT, any election, notice or communication required or permitted to be given under this AGREEMENT shall be in writing and deemed to have been duly given if and when delivered personally (with receipt acknowledged), or on receipt after mailing the same by certified mail, return receipt request with proper postage prepaid, or

three (3) days after mailing the same by first class U.S. mail, postage prepaid (in accordance with the "Mailbox Rule"), or when sent by a national commercial courier service (such as Federal Express or DHL Worldwide Express) for expedited delivery to be confirmed in writing by such courier.

If intended for CITY, to:

City of San Antonio
Aviation Department – Planning & Engineering
(To be opened by Addressee only under
provisions of 49 CFR Part 1520)
Attn: Mr. Leslie A. Heinen Jr.
9800 Airport Blvd.
San Antonio, Texas 78216

If intended for CONSULTANT, to:

Parsons Transportation Group, Inc.
Mr. George Maki
901 N.E. Loop 410, Suite 610
San Antonio, Texas 78209-1306

XIX. INTEREST IN CITY CONTRACTS PROHIBITED

19.1 **CONSULTANT** acknowledges that it is informed that the Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as those terms are defined in the Ethics Code, from having a financial interest in any contract with **CITY** or any **CITY** agency such as **CITY** owned utilities. An officer or employee has a "prohibited financial interest" in a contract with **CITY** or in the sale to **CITY** of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale: a **CITY** officer or employee; his parent, child or spouse; a business entity in which the officer or employee, or his parent, child or spouse owns ten (10) percent or more of the voting stock or shares of the business entity, or ten (10) percent or more of the fair market value of the business entity; a business entity in which any individual or entity above listed is a subcontractor on a **CITY** contract, a partner or a parent or subsidiary business entity.

19.2 **CONSULTANT** warrants and certifies, and this AGREEMENT is made in reliance thereon, that it, its officers, employees and agents are neither officers nor employees of **CITY**. **CONSULTANT** further warrants and certifies that it has tendered to **CITY** a Discretionary Contracts Disclosure Statement in compliance with **CITY's** Ethics Code.

XX. SOLICITATION

CONSULTANT warrants and represents that he has not employed or retained any company or person, other than a bona fide employee working solely for **CONSULTANT**, to solicit or secure this AGREEMENT, nor paid or agreed to pay any company or person, other than a bona fide employee working solely for **CONSULTANT**, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this AGREEMENT. This representation constitutes a substantial part of the consideration for the making of this AGREEMENT.

XXI. CONTRACT CONSTRUCTION

All parties have participated fully in the review and revision of this AGREEMENT. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply to the interpretation of this AGREEMENT.

XXII. FAMILIARITY WITH LAW AND CONTRACT TERMS

CONSULTANT represents that, prior to signing this AGREEMENT, **CONSULTANT** has become thoroughly acquainted with all matters relating to the performance of this AGREEMENT, all applicable laws, and all of the terms and conditions of this AGREEMENT.

XXIII. APPLICABLE LAW

This AGREEMENT shall be governed by and construed in accordance with the laws and court decisions of the State of Texas.

XXIV. VENUE

The obligations of the parties to this AGREEMENT shall be performable in San Antonio, Bexar County, Texas, and if legal action, such as civil litigation, is necessary in connection therewith, exclusive venue shall lie in Bexar County, Texas.

XXV. SEVERABILITY

In the event any one or more paragraphs or portions of this AGREEMENT are held invalid or unenforceable, such shall not affect, impair or invalidate the remaining portions of this AGREEMENT, but such shall be confined to the specific section, sentences, clauses or portions of this AGREEMENT held invalid or unenforceable.

XVI. FORCE MAJEURE

In the event that performance by either party of any of its' obligations or undertakings hereunder shall be interrupted or delayed by any occurrence and not occasioned by the conduct of either party hereto, whether such occurrence be an act of God or the common enemy or the result of war, riot, civil commotion, sovereign conduct, or the act or conduct of any person or persons not party or privy hereto, then such party shall be excused from performance for a period of time as is reasonably necessary after such occurrence to remedy the effects thereof, and each party shall bear the cost of any expense it may incur due to the occurrence.

XVII. SUCCESSORS

This AGREEMENT shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and, except as otherwise provided in this AGREEMENT, their assigns.

XXVIII. NON-WAIVER OF PERFORMANCE

28.1 A waiver by either Party of a breach of any of the terms, conditions, covenants or guarantees of this AGREEMENT shall not be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, condition, covenant or guarantee herein contained. Further, any failure of either Party to insist in any one or more cases upon the strict performance of any of the covenants of this AGREEMENT, or to exercise any option herein contained, shall in no event be construed as a waiver or relinquishment for the future of such covenant or option. In fact, no waiver, change, modification or discharge by either party hereto of any provision of this AGREEMENT shall be deemed to have been made or shall be effective unless expressed in writing and signed by the party to be charged. In case of CITY, such changes must be approved by the San Antonio City Council.

28.2 No act or omission by a Party shall in any manner impair or prejudice any right, power, privilege, or remedy available to that Party hereunder or by law or in equity, such rights, powers, privileges, or remedies to be always specifically preserved hereby.

XXIX. PARAGRAPH HEADINGS

The headings of this AGREEMENT are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

XXX. LEGAL AUTHORITY

The signer of this AGREEMENT for CITY and CONSULTANT each represents, warrants, assures and guarantees that he has full legal authority to execute this AGREEMENT on behalf of CITY and CONSULTANT respectively, and to bind CITY and CONSULTANT to all of the terms, conditions, provisions and obligations herein contained.

XXXI. INCORPORATION OF ATTACHMENTS

CONSULTANT understands and agrees that all attachments, including appendices thereto, referred to in this AGREEMENT are intended to be and hereby are incorporated herein and specifically made a part of this AGREEMENT for all purposes. Said attachments are as follows:

ATTACHMENT "A" (Scope of Services)

ATTACHMENT "B" – (Production Schedule)

ATTACHMENT "C" – (CONSULTANT's Fee Proposal and SBEDA Participation Statement
from CONSULTANT's Interest Statement)

ATTACHMENT "D" – (Grant Assurances)

ATTACHEMENT "E" – (Confidentiality Agreement)

In the event of a conflict or inconsistency between any attachment and the terms of this AGREEMENT, the terms of this AGREEMENT shall govern and prevail. In the event of a conflict or inconsistency between Attachment "A" and Attachments "B" and/or Attachment "C", the terms of Attachment "A" shall control over the terms of Attachment "B" and Attachment "C". In the event of a conflict or inconsistency between Attachment "B" and Attachment "C", the terms of Attachment "B" shall control over the terms of Attachment "C".

XXXII. CONFIDENTIALITY

It is the express agreement of the parties that all documentation in any form containing the required examinations, evaluations, and/or recommendations of the CONSULTANT regarding security at San Antonio International Airport will contain Sensitive Security Information (SSI) that is controlled under the provisions of 49 CFR Part 1520 and that NO PART of such documentation containing SSI, examinations, evaluations, and/or recommendations of CONSULTANT may be released without the written permission of the Administrator of the Transportation Security Administration, Washington, DC 20590. It is understood that any unauthorized release may result in civil penalty or other action.

XXXIII. RECORDS AND RELEASE OF INFORMATION

In the course of service under this AGREEMENT, CONSULTANT will have access to certain SSI information, which is protected by Federal statute and regulation. CONSULTANT may also create and maintain records that contain SSI, such as examinations, evaluations, and/or recommendations that relate to aviation security. SSI is specifically defined in 49 CFR 1520.7. CONSULTANT'S principals, employees and sub-consultants are subject to the duties and requirements imposed by 49 CFR Part 1520, Protection of Sensitive Security Information. As such, the CONSULTANT may not publicly disclose SSI in any context, including litigation or pursuant to a state open records act request, without the advance approval of TSA as provided in 49 DFR Part 1520. If a party in a legal proceeding seeks SSI in discovery or otherwise seeks disclosure of SSI from CONSULTANT performing duties under this AGREEMENT, the CONSULTANT must provide immediate notice of the request for SSI to the CITY, who will, in turn, forward the request to TSA.

All records created by CONSULTANT that contain SSI shall be marked with the following legend:

WARNING: THIS DOCUMENT CONTAINS SENSITIVE SECURITY INFORMATION THAT IS CONTROLLED UNDER THE PROVISIONS OF 49 CFR PART 1520. NO PART OF THIS DOCUMENT MAY BE RELEASED WITHOUT THE WRITTEN PERMISSION OF THE ADMINISTRATOR OF THE TRANSPORTATION SECURITY ADMINISTRATION, WASHINGTON D.C. UNAUTHORIZED RELEASE MAY RESULT IN CIVIL PENALTY OR OTHER ACTION. FOR U. S. GOVERNMENT AGENCIES, PUBLIC AVAILABILITY IS DETERMINED UNDER 5 U.S.C. 552.

CONSULTANT'S principals, employees and sub-consultants with access to any information and/or documentation in any form relating to the required examinations, evaluations, and/or recommendations regarding security at San Antonio International Airport shall sign a non-disclosure letter in substantial form and content as Attachment E, and such letter shall be attached to this contract and delivered to the CITY.

All correspondence shall be clearly labeled "To be opened by Addressee only under provisions of 49 CFR Part 1520"

XXXIV. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS

Parsons Transportation Group, Inc. certifies, and the City relies thereon in execution of this Agreement, that neither Parsons Transportation Group, Inc. nor its Principals are presently debarred, suspended, proposed for debarment, or declared ineligible, or voluntarily excluded for the award of contracts by any Federal governmental agency or department;

"Principals", for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

Parsons Transportation Group, Inc. shall provide immediate written notice to City, in accordance with Article XVIII, Notice, if, at any time during the term of this contract, including any renewals hereof, Parsons Transportation Group, Inc. learns that its certification was erroneous when made or has become erroneous by reason of changed circumstances.

Parsons Transportation Group, Inc.'s certification is a material representation of fact upon which the City has relied in entering into this Agreement. Should City determine, at any time during this Agreement, including any renewals hereof, that this certification is false, or should it become false due to changed circumstances, the City may terminate this Agreement in accordance with Article VIII Termination.

XXXV. ENTIRE AGREEMENT

35.1 This AGREEMENT, together with its authorizing ordinance and Attachments, as listed in Article XXXI, Incorporation of Attachments, embodies the complete AGREEMENT of the Parties hereto, superseding all oral or written previous and contemporary agreements between the Parties relating to matters herein; and except as otherwise provided herein, cannot be modified without written consent of the parties and approved by ordinance passed by the San Antonio City Council.

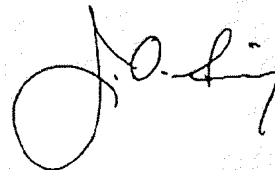
35.2 It is understood and agreed by the Parties hereto that changes in local, state or federal rules, regulations or laws applicable hereto may occur during the term of this AGREEMENT and that any such changes shall be automatically incorporated into this AGREEMENT without written amendment hereto, and shall become a part hereof as of the effective date of the rule, regulation or law.

EXECUTED ON THIS, THE _____ DAY OF _____, _____.

CITY:

CONSULTANT:

CITY OF SAN ANTONIO



CITY MANAGER

Senior Vice President
Parsons Transportation Group

APPROVED AS TO FORM:

CITY ATTORNEY

ATTACHMENT "A"
Security Assessment for San Antonio International Airport
SCOPE OF SERVICES

GENERAL

The work associated with the Security Assessment and each associated Task will be conducted in a systematic approach as appropriate to the task being performed. The Consultant shall initially conduct studies and perform various planning exercises and analyses necessary to identify and evaluate potential security threats, areas of vulnerability, and associated risks, prioritize candidate options for improvements for the San Antonio airport (SAT), and prepare written reports setting forth findings, conclusions and recommendations. After completion of the study and publishing of the recommendations, the Consultant will develop a Security Master Plan based on the reports and the direction of San Antonio Director of Aviation.

Work in public areas must be performed without adversely impacting passenger movement, the schedule is predicated on the assumption that (1) required work areas are accessible as required during normal working hours and (2) Consultant will be provided timely access to all resources (facilities, SAT personnel, project-related documents, etc.).

The Consultant will not be responsible for any SAT facilities or property that the Consultant is unable to access.

TASK 1

The Consultant shall perform and document an assessment of the security afforded SAT owned properties for the Director's review, and make specific recommendations regarding implementation of candidate options for improvements that address the following subject areas:

- 1.1 Security portals (doors, loading docks), utility access tunnels and control thereof.
- 1.2 Surveillance CCTV systems including cameras, switchers, monitoring and recording systems and video transmission systems. Review the potential for the use of wireless technology and the integration with current wireless system.
- 1.3 Airport security and operations control, command and communication centers.
- 1.4 Incident response time and security forces deployment.
- 1.5 Exit lane control and movements.
- 1.6 Security zone movements and control (public to sterile, public to secure, public to AOA) to include cargo facilities and GA operations.
- 1.7 Protocol, procedural and recommendations for accessible heating, ventilation, and air intake systems against Biological and Chemical incidents.
- 1.8 Develop basic incident scenarios representative of likely incidents and recommend protocol and procedures for management.

- 1.9 Physical Security, to include perimeter control and protection for street side, landside, airside, hangar areas, general aviation, air cargo areas, fuel farms, catering access areas, access to utilities, storm water drains, pipes and ducts. Identify and inventory the locations.
- 1.10 Ongoing and planned airport construction projects, to ensure adequate and consistent security provisions are included
- 1.11 Security policies, procedures and facility revisions addressing:
 - Universal Badging system
 - Consistency of Systems
 - Access Control Systems
 - Security Checkpoints and Baggage Screening Systems surveillance, monitoring & recording.
 - Security Staffing Requirements for Public Safety Division, San Antonio Airport Police, and other Law Enforcement Agencies
 - Staffing Requirements for Maintenance and Technical Personnel to maintain and service Security Systems and equipment
 - Separate Employee entrances and screening areas, including TSA-driven requirements which require specific locations.

TASK 2

As a result of the work completed in Task 1., The Consultant shall document and prepare a Threat, Vulnerability, and Risk Assessment Report with specific recommendations for revisions to the current Airport Security Programs (ASP) and the upgrade, replacement, or installation of Technical Security Systems and the Physical Security elements.

The review, assessment and recommendations regarding candidate options for improvement to all security access points, card access/inspection, GA access and requirements as well as any new or pending security areas of concern made by the Consultant shall be consistent with currently available security guidelines set forth in the Federal Aviation Administration (FAA) Regulations and any guidelines issued by the Transportation Security Administration (TSA) to date including the legislated requirements embodied in US Code Title 49 and Title 14 in effect at the time of Report delivery. Any future Regulations that necessitate a change to this project will be reviewed and approved by the San Antonio Director of Aviation and the Consultant prior to implementation.

TASK 3

Upon completion and Acceptance of the Initial Findings and Recommendations from the assessment, the Consultant shall develop a Security Master Plan (SMP) that: (1) provides a description of each candidate improvement; (2) identifies the related threat act as being HIGH, MODERATE, or LOW; (3) provides a rough-order-of-magnitude of associated costs, and (4) prioritizes the candidate options for implementation. The SAT will be responsible for reviewing and approving the SMP and implementing any options provided therein. The prioritization for implementation shall be categorized for near term, mid term and long term.

Review And Research

The Consultant shall conduct meetings with appropriate personnel at San Antonio Airport , with other San Antonio personnel, local and federal law enforcement, TSA, designated airline representatives, and aviation representatives as deemed necessary by the Consultant and agreed to by the Director, to establish security requirements. Additionally, the Consultant shall conduct site investigations, as necessary, to become familiar with, and to document, existing conditions at each facility. The Consultant will be provided access to record documents for existing construction, and shall make the City aware of any discrepancies noted, especially with regard to:

- Security Systems
- CCTV System
- Utilities
- Airport Access Infrastructure

The Consultant shall:

- Review security staffing resources and operational procedures with each SAT department manager.
- Review available architectural and engineering plans for SAT facilities to coordinate the assessment.
- Review available documentation related to security exercises, plans, guidelines and manuals, employee security policies, maintenance contracts, security reports and other available materials.
- Review existing physical systems and resources that could affect future security application, resulting from currently planned future development.
- Identify budgetary and management guidelines which would influence the development of project recommendations and estimate future staffing requirements, if any, inherent in security recommendation.

Work Plan

The Work Plan is to be submitted with the Consultant's price proposal, for review and approval.

Report Submittals (Deliverables)

The Consultant shall submit reports to the Director in the number of copies indicated below. In addition to hard copies, electronic files of each report shall be submitted on standard Compact Disks (CD) in two formats, a Micro Soft Word format (for draft files) and a PDF format (for finals).

- | | |
|--|----------|
| 1. Initial Findings | |
| Assessment and Evaluation Report | 5 copies |
| Policies and Procedures Reviews | 5 copies |
| 2. Security Improvement Recommendations Report | 5 copies |
| 3. Security Master Plan | 5 copies |

Briefings and Presentations

During the Review and Analysis period, up to three (3) one-hour informal briefings may be required for SAT management. At the conclusion of the performance period, three formal final presentations will be required for the SAT management (2 presentations) and as designated (1 rehearsal and 1 presentation).

Project Acceptance

The project technical requirements will be considered complete and the project accepted immediately upon delivery of the final Study Report and Security Master Plan.

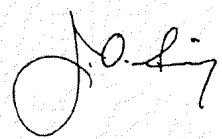
ATTACHMENT B
PRODUCTION SCHEDULE

Project: Security Assessment for San Antonio International Airport

Architect/Engineer Firm: Parsons Transportation Group, Inc

	<u>SCHEDULED</u>	<u>ACTUAL</u>
<u>Assessment</u>		
Beginning Date:	<u>Aug. 9, 2004</u>	<u> </u>
Completion Date:	<u>Dec. 24, 2004</u>	<u> </u>
Calendar Days Used:	<u>140</u> Days	<u> </u> Days
City Review & Approval:	<u> </u> Days	<u> </u> Days
<u>Preliminary</u>		
Beginning Date:	<u> </u>	<u> </u>
Completion Date:	<u> </u>	<u> </u>
Calendar Days Used:	<u> </u> Days	<u> </u> Days
City Review & Approval:	<u> </u> Days	<u> </u> Days
Total Contract Time:	<u> </u> Days	<u> </u> Days
<u>Design</u>		
Beginning Date:	<u> </u>	<u> </u>
Completion Date:	<u> </u>	<u> </u>
Calendar Days Used:	<u> </u> Days	<u> </u> Days
City Review & Approval:	<u> </u> Days	<u> </u> Days
Total Contract Time:	<u> </u> Days	<u> </u> Days

By


James O. Singer
Senior Vice President

ATTACHMENT C

CONSULTANT'S FEE PROPOSAL AND SBEDA PARTICIPATION STATEMENT FROM CONSULTANT'S INTEREST STATEMENT

SECTION 1 – Basis of Compensation

The total fee for all basic services defined by this contract is to be lump sum in the amount of \$339,768 and \$53,636 identified below as allowances, the sum total not to exceed \$393,404 and it is agreed and understood that this amount will constitute full compensation to the Consultant for these services. This amount has been approved and appropriated by the San Antonio City Council for expenditure under this contract. Unless and until the City sees fit to make further appropriations, the obligation of the City to the Consultant for a Total Fee for all basic services and approved allowances in connection with this Agreement cannot and will not exceed the sum of \$393,404 without further amendment to this contract.

For the purpose of establishing fees for separate tasks, the following allocations of the scheduled fees apply:

TASK	TOTAL FEE
1. Facility Assessment	
1.1 Portals	\$ 26,756
1.2 CCTV	\$ 17,165
1.3 Communication Center	\$ 10,620
1.4 Response Time & Deployment	
1.5 Exit Lane Control (check points)	\$ 2,192
1.6 Zone Movements	\$ 17,987
1.7 HVAC	\$ 6,544
1.8 Incident Scenarios	\$
1.9 Physical Security	\$ 31,962
1.10 Construction Projects	\$ 7,609
1.11 Security, Policies/Procedures/Facility	\$ 19,905
2 Risk Assessment Report	\$133,818
3 Security Master Plan	
3.1 Consultation Meetings (Assume 6)	\$ 15,246
3.2 Review Staffing	\$ 10,372
3.3 Facility Plan Review	\$ 19,113
3.4 Security Plan/Report Review	\$ 16,668
3.5 Budget Guidelines	<u>\$ 3,811</u>
Total Basic Services	\$339,768
Allowances	
4 Informal Presentations	\$10,880
5 Formal Presentations	\$ 4,707
Printing	\$ 1,320
Mileage	\$ 6,072
Travel	\$13,200
Per Diem	\$17,457
Total Allowances	\$53,636
Total Contract	<u>\$ 339,768</u> \$393,404

SECTION 2 – Changes

The consultant and the City acknowledge the fact that the Total Fee amount contained in Section 1 above has been established, predicated upon the total estimated costs of basic services to be rendered under this contract. For additional services, if the scope of services is changed materially, compensation shall be subject to renegotiation.

SECTION 3 – Methods of Payment

The consultant and the City agree and acknowledge the fact that payment will be made on approved invoices reflecting the work completed and accepted for the various tasks. The Consultant may, upon written authorization from the Director, request partial payments for work performed for the various tasks upon the furnishing of satisfactory evidence of the partial completion of the work.

ATTACHMENT D

TITLE VI GRANT ASSURANCES

During the performance of this CONTRACT, CONSULTANT, for itself, its assignees and successors in interest (hereinafter, collectively, "CONSULTANT") agrees as follows:

- A. Compliance with Regulations. CONSULTANT shall comply with the Regulations of the Department of Transportation (hereinafter "DOT"), Title 49, CFR Part 21, regarding nondiscrimination in federally-assisted programs, as they may be amended from time to time (hereinafter "Regulations"), and which are made a part hereof by reference.
- B. Nondiscrimination. The CONSULTANT, with regard to the work hereunder, shall not discriminate on the grounds of race, color or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The CONSULTANT shall not participate, directly or indirectly, in the discrimination prohibited by Section 21.5 of the Regulations, including employment practices, when the CONTRACT covers a program set forth in "Appendix B" of the Regulations.
- C. Solicitations for subcontractors, including procurements of materials and equipment. CONSULTANT'S solicitations, either by competitive bidding or negotiation, made for work to be performed under a sub-contract, including procurements of materials or leases of equipment, shall include a notification, to each potential subcontractor or supplier, of CONSULTANT'S obligations hereunder, and the Regulations regarding nondiscrimination on the grounds of race, color or national origin.
- D. Sanctions for Noncompliance. In the event of the CONSULTANT'S noncompliance with the nondiscrimination provisions of this CONTRACT, the CITY shall impose such CONTRACT sanctions as it or the Federal Aviation Administration (hereinafter "FAA") may deem appropriate, including, but not limited to:
 - 1. Withholding of payments to the CONSULTANT under the CONTRACT until the CONSULTANT complies; and/or
 - 2. Cancellation, termination, or suspension of the CONTRACT, in whole or in part.
- E. Incorporation of Provisions. CONSULTANT shall include the provisions of Paragraphs A through E, above, in every subcontract pertaining to this Agreement, including procurements of materials and leases of equipment issued pursuant thereto. CONSULTANT shall take such action with respect to any subcontract or procurement, as the sponsor or the FAA may direct as means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the CONSULTANT becomes involved in, or is threatened with, a subcontractor or supplier as a result of such direction, CONSULTANT may request the CITY to enter into such litigation to protect the interests of the CITY. Additionally, CONSULTANT may request the U.S. to enter into such litigation to protect the interests of same.

ATTACHMENT E
CONFIDENTIALITY AGREEMENT

Date: July 20, 2004

To: Parsons Transportation Group

1133 15th Street NW, 9th Floor

Washington, DC 20005

Gentlepeople:

Concurrently with signing this Agreement, I recognize that in connection with my employment with the Company, I may become aware of or familiar with Sensitive Security Information and materials as defined in 49 CFR Part 1520 which impact security at San Antonio International Airport ("Airport") and which are essential to the business of the Company and security of the Airport. Notwithstanding the foregoing, I acknowledge and agree that any information or material involving the security at San Antonio International Airport of which I become aware during my employment with the Company is presumed to be Sensitive Security Information unless the Company advises me in writing that it is not Sensitive Security Information.

In consideration of my employment, I agree that I will not during the term of my employment with the Company and at all times thereafter, either directly or indirectly, use or disclose to anyone Sensitive Security Information, except that while I am employed by the company and I may disclose Sensitive Security Information to employees of the Company who need to know such information in the performance of their services for the Company and who are bound by confidentiality agreements.

My obligations under this agreement will remain in full force and effect regardless of (i) the reason for or cause of the termination of my employment, or (ii) whether the Company or I was at fault.

I acknowledge that the violation of any of the provisions of this agreement will cause irreparable loss and harm to the Company and San Antonio International Airport which cannot be reasonably or adequately compensated by damages in an action at law, and, accordingly, that the Company and San Antonio International Airport will be entitled, without posting bond or other security, to injunctive and other equitable relief to enforce the provisions of this agreement and to prevent or cure any breach or threatened breach thereof; but no action for any such relief shall be deemed to waive the right of the company and San Antonio International Airport to an action for damages. I also agree that it will not be a defense to any request for such relief that the Company and San Antonio International Airport has an adequate remedy at law. For purposes of any proceeding under or with respect to this Agreement, I submit to the nonexclusive jurisdiction of the courts of the State of Texas and of the United States located in the County of Bexar, State of Texas; and I agree not to raise and I waive any objection to or defense based on the venue of any such court or based upon forum non conveniens.

The rights and remedies of the Company and San Antonio International Airport are cumulative and the exercise or endorsement of any one or more of them will not preclude the Company from exercising or enforcing any other right or remedy.

The delay or failure by the Company and San Antonio International Airport to exercise any of its rights in any one instance will not preclude the company or San Antonio International Airport from exercising its rights at a later time in that instance or at any other time in any other instance.

This Agreement may be amended and any provision of this Agreement may be waived only by an instrument in writing signed by the Company and San Antonio International Airport.

This Agreement will be governed by and construed in accordance with the law in the State of Texas.

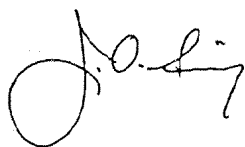
This Agreement will inure to the benefit of San Antonio International Airport and the Company's successors and assigns including, without limitation, the assignee of the Company. Accordingly, at any one time, more than one person may be the beneficiary of this agreement.

Very truly yours,

ACCEPTED

Parsons Transportation Group

By:



Name: James O Singer

Title: Senior Vice President

By:

City of San Antonio

BUDGET
FUND NO. 51-006, PROJECT NO. 006006
SECURITY ASSESSMENT AT SAN ANTONIO INTERNATIONAL AIRPORT

<u>INDEX NUMBER</u>	<u>DESCRIPTION</u>	<u>CURRENT BUDGET</u>	<u>REVISION</u>	<u>REVISED BUDGET</u>
	<u>REVENUES</u>			
106146	TRANSFER FROM 51-014002	\$0.00	\$1,168,543.00	\$1,168,543.00
083923	FAA GRANT 3-48-0192-44-02	\$0.00	\$2,475,000.00	\$2,475,000.00
083931	FAA GRANT 3-48-0192-46-03	\$0.00	\$1,030,628.00	\$1,030,628.00
	TOTALS	\$0.00	\$4,674,171.00	\$4,674,171.00
	<u>EXPENDITURES</u>			
798280	UNALLOCATED EXPENDITURES	\$0.00	\$4,235,427.00	\$4,235,427.00
797860	CONSULTANT CONTRACT	\$0.00	\$393,404.00	\$393,404.00
798009	CONSULTANT CONTINGENCY	\$0.00	\$39,340.00	\$39,340.00
798140	ADMINISTRATIVE EXPENSES	\$0.00	\$6,000.00	\$6,000.00
	TOTALS	\$0.00	\$4,674,171.00	\$4,674,171.00

FUND ONLY
INDEX CODE: N/A

ACTIVITY NO. 33-02-08

FUND 51-014002

<u>INDEX NUMBER</u>	<u>DESCRIPTION</u>	<u>CURRENT BUDGET</u>	<u>REVISION</u>	<u>REVISED BUDGET</u>
	<u>EXPENDITURES</u>			
918029	TRANSFER TO 51-006006	\$0.00	\$1,168,543.00	\$1,168,543.00