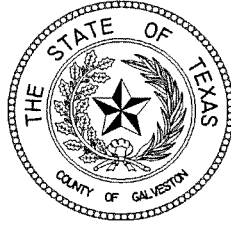


**GALVESTON COUNTY
PURCHASING DEPARTMENT**



INVITATION TO BID

BID #B171005

BROADWAY & 54TH STREET PROPERTY

BID DUE DATE: 06/08/2017

2:00 P.M. CST

***Rufus Crowder, CPPO, CPPB
Purchasing Agent
Galveston County
722 Moody (21st Street)
Fifth (5th) Floor
Galveston, Texas 77550
(409) 770-5372***



ITB #B171005
OPEN: 06/08/2017
TIME: 2:00 P.M.

INVITATION TO BID BROADWAY & 54TH STREET PROPERTY

Sealed bids in sets of four (4), one (1) original and three (3) copies, will be received in the office of the Galveston County Purchasing Agent until 2:00 P.M. CST, on Thursday, June 8, 2017, and opened immediately in that office in the presence of Galveston County Auditor and the Purchasing Agent. Sealed bids are to be delivered to Rufus G. Crowder, CPPO CPPB, Galveston County Purchasing Agent at the Galveston County Courthouse, 722 Moody, (21st Street), Floor 5, Purchasing, Galveston, Texas 77550, (409) 770-5372. The time stamp clock located in the Purchasing Agent's office shall serve as the official time keeping piece for this solicitation process. Any bids received after 2:00 P.M. CST on the specified date will be returned unopened.

Purpose:

Pursuant to Texas Local Government Code 263.007, Sale of Lease of Real Property Through Sealed-Bid Procedure, and approval passed by the Commissioners' Court of Galveston County, Texas, on November 8, 2016, sealed bids for the sale of a 3.7595 acre tract of land, more or less, belonging to Galveston County, will be received in the office of the Galveston County Purchasing Agent. A metes and bounds legal description of the 3.7595 acre tract of land is attached to these Special Provisions as Schedule I.

All bids must be marked on the outside of the envelope:

ITB #B171005 BROADWAY & 54th STREET PROPERTY

Bidder's name and return address, should be prominently displayed on the bid package for identification purposes.

Specifications can be obtained on application at the office of the Galveston County Purchasing Agent, located in the Galveston County Courthouse, 722 Moody, (21st Street), Floor 5, Purchasing, Galveston, Texas, 77550, or by visiting the Galveston County website @ <http://www.galvestoncountytexas.gov/pu/Pages/BidListings.aspx>.

Bid prices shall be either lump sum or unit prices as shown on bid sheets, if applicable. The net price shall be delivered to Galveston County, including all freight, shipping, and license fees. Galveston County is tax exempt and no taxes should be included in bid pricing.

Upon satisfaction of contractual terms (e.g., goods delivered in promised condition, services rendered as agreed, etc.), contractor shall be paid via Galveston County's normal accounts payable process.

Bonding Requirements:

- **BID GUARANTEE:** Evidencing its firm commitment to engage in the contract if Proposer is selected for award of contract, each Proposer is required to furnish with their proposal a Cashier's Check, or an acceptable Proposer's Bond (in the event of requests for bids, this is called a Bidder's Bond), in the amount of five percent (5%) of the total contract price. The Proposer's Bond must be executed with a surety company authorized to do business in the State of Texas. Failure to furnish the bid/proposal guarantee in the proper form and amount, by the time set for opening of bids/bids may be cause or rejection of the bid/proposal.

The Galveston County Commissioners' Court reserves the right to waive any informality and to reject any and all bids, and to accept the proposal which, in its opinion, is most advantageous to Galveston County with total respect the governing laws.

Rufus G. Crowder, CPPO CPPB
Purchasing Agent
Galveston County

**BROADWAY & 54TH STREET PROPERTY
GALVESTON COUNTY, TEXAS**

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**GENERAL PROVISIONS
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1. BID PACKAGE:

The Invitation to Bid, general and special provisions, drawings, specifications/line item details, contract documents and the Bid sheet are all part of the Bid package. BIDs must be submitted in sets of four (4), one (1) original and three (3) copies on the forms provided by the County if provided, including the Bid sheets completed in their entirety and signed by an authorized representative by original signature. Failure to complete and sign the Bid sheets/contract page(s) may disqualify the Bid from being considered by the Commissioners' Court. Any individual signing on behalf of the Bidder expressly affirms that he or she is duly authorized to tender this Bid and to sign the Bid sheet/contract under the terms and conditions in this bid. Bidder further understands that the signing of the contract shall be of no effect unless subsequently awarded and the contract properly executed by the Commissioners' Court. All figures must be written in ink or typed. Figures written in pencil or with erasures are not acceptable. However, mistakes may be crossed out, corrections inserted, and initialed in ink by the individual signing the bid. If there are discrepancies between unit prices quoted and extensions, the unit price shall prevail. Each Bidder is required to thoroughly review this entire Bid package to familiarize themselves with the Bid procedures, the plans and specifications for the requested work, as well as the terms, and conditions of the contract the successful Bidder will execute with the County.

2. BIDDER'S RESPONSIBILITY

The Bidder must affirmatively demonstrate its responsibility. The Bidder must also meet the following minimum requirements:

- A. have adequate financial resources or the ability to obtain such resources as required;
- B. be able to comply with all federal, state, and local laws, rules, regulations, ordinances and orders regarding this Request for Bid;
- C. have a satisfactory record of performance;
- D. have a satisfactory record of integrity and ethics;
- E. and be otherwise qualified and eligible to receive an award.

3. TIME FOR RECEIVING BIDS:

Bids may be submitted by mail or hand delivery and must be submitted to the Galveston County Purchasing Agent. If by delivery, the Bidder must deliver to the reception desk in the County Purchasing Agent's Office. The delivery and mailing instructions for the Galveston County Purchasing Agent are the following:

**Rufus Crowder, CPPO CPPB
Galveston County Purchasing Agent
722 Moody, Fifth (5th) Floor
Galveston, Texas 77550**

Bids will **not** be accepted by facsimile transmission or by electronic mail (email) unless superseded by instructions within the Special Provisions sections of this solicitation. Bids must be received by the County Purchasing Agent on or before the deadline for the opening of the bids. For clarity, mailing date/postmark is **not** sufficient – bids **must be received** by the County Purchasing Agent on or before the deadline. Late bids will not be accepted and will be returned to the bidder unopened. Bids received prior to the submission deadline will be maintained unopened until the specified time for opening.

The County Purchasing Agent will accept bids from 8:00 a.m. to 5:00 p.m. on each business day up to the submission deadline. Business days do not include Saturdays and Sundays, and do not include other days in which the County is closed for business in observance of holidays or for other reasons.

The time-stamp clock within the County Purchasing Agent's Office shall be the official time-clock for the purpose of this solicitation and thus shall be the determinant of whether the bid was timely received.

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The bidder should prominently identify the procurement number and name on the outside of the envelope/ mailing package. A label may be provided for this purpose and usage of the label is preferred. If the bidder fails to identify the bid on the outside of the envelope as required, the Purchasing Agent will open the envelope for the sole purpose of identifying the bid number for which the submission was made. The envelope will then be resealed. No liability will attach to a County office or employee for the premature opening of a bid.

If a bid is not submitted, return this Invitation to Bid and state reason (s), otherwise your name may be removed from the Purchasing Agent's mailing list.

4. COMPETITIVENESS, INTEGRITY, INQUIRIES AND QUESTIONS

To prevent biased evaluations and to preserve the competitiveness and integrity of the procurement process, bidders are to direct all communications regarding this invitation to bid to the Galveston County Purchasing Agent, unless otherwise specifically noted.

Do not contact the requesting department. Attempts by offering firms to circumvent this requirement will be viewed negatively and may result in rejection of the bid of the firm found to be non-compliant.

All questions regarding this Invitation to Bid must be submitted in writing to:

**Rufus Crowder, CPPO CPPB, Purchasing Agent
722 Moody
Fifth (5th) Floor
Galveston, Texas 77550
Fax: (409) 621-7997
E-mail: rufus.crowder@co.galveston.tx.us**

All questions received and the responses thereto will be mailed, emailed, or faxed to all prospective bidders by addendum. No inquires except clarification of instructions will be addressed by telephone.

Bidder is advised to carefully review this Invitation to Bid – it provides specific information necessary to aid participating firms in formulating a thorough response. Bidder's failure to examine all documents shall not entitle the bidder to any relief from the conditions imposing in the Invitation to Bid and the resultant contract.

An authorized person from the bidder must sign the bid. This signatory must be a person from the submitting firm who is duly authorized to tender and sign the bid on behalf of the bidder and bind the contract. By this signature, the bidder further acknowledges that the bidder has read the bid documents thoroughly before submitting a bid and will fulfill the obligations in accordance to the terms, conditions, and specifications detailed herein.

5. BID OPENING:

Information read aloud at the bid opening is the sole discretion of the Purchasing Agent. The Purchasing Agent will examine bids promptly and thoroughly.

6. WITHDRAWAL OF BID:

Bidders may request withdrawal of a sealed bid prior to the scheduled bid opening time provided the request for withdrawal is submitted to the Purchasing Agent in writing. No bids may be withdrawn for a period of sixty (60) calendar days after opening of the bids.

7. COMMISSIONERS' COURT:

No contract is binding on the County until it is properly placed on the Commissioners' Court agenda, approved in open Court, authorized to be executed by the County Judge, and fully executed by both parties. Department heads and elected officials are not authorized to enter into any type of agreement or contract on behalf of the County. Only the Commissioners' Court acting as a body may enter into a contract on behalf of and contractually

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bind the County. Additionally, department heads and elected officials are not authorized to agree to any type of supplemental agreements or contracts for goods or services. Supplemental agreements are subject to review by the County Legal Department prior to being accepted and signed by the County's authorized representative.

8. REJECTION OF BIDS/DISQUALIFICATION:

Galveston County, acting through its Commissioners' Court, reserves the right to:

- reject any and all Bids in whole or in part received by reason of this request for bid;
- to waive any informality in the Bids received;
- to disregard the Bid of any Bidder determined to be not responsible and/or;
- to discontinue its efforts for any reason under this Bid package at any time prior to actual execution of contract by the County.

Bidders may be disqualified and rejection of Bids may be recommended to the Commissioners' Court for any of (but not limited to) the following causes:

- A. Failure to use the bid forms furnished by the County, if applicable;
- B. Lack of signature by an authorized representative of bidder;
- C. Failure to properly complete the bid;
- D. Failure to meet the mandatory requirements of this invitation to bid; and/or
- E. Evidence of collusion among bidders.

9. RESTRICTIVE OR AMBIGUOUS SPECIFICATIONS:

It is the responsibility of the prospective Bidder to review the entire Invitation to Bid packet and to notify the Purchasing Department if the specifications are formulated in a manner that would restrict competition or appear ambiguous. Any protest or question(s) regarding the specifications or Bid procedures must be received in the Purchasing Department not less than seventy-two (72) hours prior to the time set for Bid opening. Vendors are to submit Bid as specified herein or propose an approved equal.

10. SUBSTITUTES/DESCRIPTION OF MATERIALS AND EQUIPMENT:

Any brand name or manufacturer reference used herein is intended to be descriptive and not restrictive, unless otherwise noted, and is used to indicate the type and quality of material. The term "or equal" if used, identifies commercially produced items that have the essential performance and salient characteristics of the brand name stated in the item description. All supplies, material, or equipment shall be new and of the most suitable grade for the purpose intended. It is not the County's intent to discriminate against any materials or equipment of equal merit to those specified. However, if Bidder desires to use any substitutions, prior written approval must be obtained from the County Purchasing Agent and sufficiently in advance such that an addendum may be issued. All material supplied must be one hundred percent (100%) asbestos free. Bidder, by submission of its bid, certifies that if awarded any portion of this procurement, the bidder will supply only material and equipment that is 100% asbestos free.

11. EXCEPTIONS TO BID:

The Bidder will list on a separate sheet of paper any exceptions to the conditions of the bid. This sheet will be labeled, "Exceptions to Bid Conditions", and will be attached to the bid. If no exceptions are stated, it will be understood that all general and specific conditions will be complied with, without exception.

The Bidder must specify in its Bid any alternatives it wishes to propose for consideration by the County. Each alternative should be sufficiently described and labeled within the Bid and should indicate its possible or actual advantage to the program being offered.

The County reserves the right to offer these alternatives to other Bidders.

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12. PRICING:

Bids will be either lump sum or unit prices as shown on the Bid sheet. The net priced items will be delivered to Galveston County, including all freight or shipping charges.

Cash discount must be shown on bid, otherwise prices will be considered net. Unless prices and all information requested are complete, Bid may be disregarded and given no consideration.

In case of default by the contractor, the County of Galveston may procure the articles or services from other sources and may deduct from any monies due, or that may thereafter become due to the contractor, the difference between the price named in the contract of purchase order and the actual cost thereof to the County of Galveston. Prices paid by the County of Galveston shall be considered the prevailing market price at the time such purchase is made. Periods of performance may be extended if the facts as to the cause of delay justify such extension in the opinion of the Purchasing Agent and the Commissioners' Court.

13. PROCUREMENT CARD (P-CARD) PROGRAM:

The County of Galveston participates in a Procurement Card (P-Card) program that allows payments made to a vendor by credit card. This method normally results in substantially faster bill payments, sometimes within three (3) to five (5) days of the actual transaction date. All transaction fees from the card provider are to be paid by the successful contractor. If your company will accept payment via credit card (Visa, MasterCard), please notate this in your Bid submittal.

14. PASS THROUGH COST ADJUSTMENTS:

Except in instances of extreme extenuating circumstances Contractor prices shall remain firm throughout the Contract period and any renewals. Examples of extreme extenuating circumstances include such situations as a nationwide rail strike, oil shortage or oil embargo.

In extreme extenuating circumstances, Contractors may be allowed to temporarily "pass through" additional costs they are forced to incur through no fault of their own. A request for a pass through cost increase will not be considered unless a Contractor's cost for his product exceeds 10% over the original cost for the product. Also, the increase in cost must be nationwide and consistent for a minimum period of sixty (60) days. Costs that historically are anticipated to rise over a period of time (for example only, such as wages or insurance costs) do not qualify for pass through. If a Contractor thinks he will be asking for a pass through cost adjustment during the term of the contract, then the original cost of the product to Contractor must be stated in Contractor's original bid.

A request for a pass through cost does not guarantee that one will be granted. Contractors must submit such information on each request as is required by the County Purchasing Agent. The County Purchasing Agent will review each request on a case-by-case basis and determine the appropriateness of each request as well as amount and duration of increase. Contractors will not be permitted any additional compensation for mark-ups or profits based on the increase in price. Rather, such additional compensation will be limited to the actual increase in original cost to the Contractor as such increase is reflected by the original cost stated in the bid. But in no event will the amount of additional compensation exceed 25% increase in Contractor's original cost for his product as such cost is reflected in Contractor's original Bid or the duration exceed a period of sixty (60) days. In addition, should, during the period of the pass through, cost return to normal or decrease to below pre pass through prices, appropriate downward adjustments shall be made. No more than one pass through adjustment will be permitted per year.

15. MODIFICATION OF BIDS:

A Bidder may modify a bid by letter at any time prior to the submission deadline for receipt of Bids. Modification requests must be received prior to the submission deadline. Modifications made before opening time must be initialed by Bidder guaranteeing authenticity. Bids may not be amended or altered after the official opening with the single exception that any product literature and/or supporting data required by the actual specifications, if any, will be accepted at any time prior to the Commissioners' Court considering of same.

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16. SIGNATURE OF BIDS:

Each Bid shall give the complete mailing address of the Bidder and be signed by an authorized representative by original signature with the authorized representative's name and legal title typed below the signature line. Each bid shall include the Bidder's Federal Employer Identification Number (FEIN). Failure to sign the Contract page(s) and bid response sheets may disqualify the bid from being considered by the County. The person signing on behalf of the Bidder expressly affirms that the person is duly authorized to tender the bid and to sign the bid sheets and contract under the terms and conditions of this Invitation to Bid and to bind the Bidder thereto and further understands that the signing of the contract shall be of no effect until it is properly placed on the Commissioners' Court agenda, approved in open Court, authorized to be executed by the County Judge, and fully executed by both parties.

17. AWARD OF BIDS – EVALUATION CRITERIA AND FACTORS:

The award will be made to the responsible Bidder whose bid is determined to be the lowest and best evaluated offer demonstrating the best ability to fulfill the requirements set forth in this Invitation to Bid. **The proposed cost to the County will be considered firm and cannot be altered after the submission deadline.**

“Lowest and best” means a bid or offer providing the best value considering associated direct and indirect costs, including transport, maintenance, reliability, life cycle, warranties, and customer service after a sale.

Each Bidder, by submitting a bid, agrees that if their bid is accepted by the Commissioners' Court, such Bidder will furnish all items and services upon which prices have been tendered and upon the terms and conditions in this bid and contract.

The contractor shall commence work only after the transmittal of a fully executed contract and after receiving written notification to proceed from the County Purchasing Agent. The contractor will perform all services indicated in the bid in compliance with this contract.

Neither department heads nor elected officials are authorized to sign any binding contracts or agreements prior to being properly placed on the Commissioners' Court agenda and approved in open court. Department heads and other elected officials are not authorized to enter into any type of agreement or contract on behalf of Galveston County. Only the Commissioners' Court, acting as a body, may enter into a contract on behalf of the County. Additionally, department heads and other elected officials are not authorized to agree to any type of supplemental agreements or contracts for goods or services. Supplemental agreements are subject to review by the County Legal Department prior to being signed by the County's authorized representatives.

The County of Galveston reserves the right to accept bids on individual items listed, or group items, or on the bid as a whole; to reject any and all bids; to waive any informality in the bids; and to accept the bid that appears to be in the best interest of the County. The selection process may, however, include a request for additional information or an oral presentation to support the written bid.

In determining and evaluating the best bid, the pricing may not necessarily be controlling, but quality, equality, efficiency, utility, general terms, delivery, suitability of the service offered, and the reputation of the service in general use will also be considered with any other relevant items. The Commissioners' Court shall be the sole judge in the determination of these matters.

The County reserves the right to reject any or all Bids in whole or in part received by reason of this Invitation to Bid and may discontinue its efforts under this Invitation to Bid for any reason or no reason or solely for the County's convenience at any time prior to actual execution of the contract by the County.

A Bidder whose bid does not meet the mandatory requirements set forth in this Invitation to Bid may be considered non-compliant.

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The invitation to submit a bid which appears in the newspaper, or other authorized advertising mediums, these general provisions, the specifications which follow, the Bid sheets, and any addenda issued are all considered part of the Bid.

Each Bidder, by submitting a bid, agrees that if its bid is accepted by the Commissioners' Court, such Bidder will furnish all items and services upon the terms and conditions in this Invitation to Bid and the resultant contract.

Notice of contract award will be made within ninety (90) days of opening of Bids to the lowest responsive and responsible contractor, whose bid complies with all the requirements in the Invitation to Bid.

Contractor shall submit to the County, for approval, within ten (10) days from notice of contract award, all Certificates of Insurance evidencing the required coverage as described under Section 36, Requirement of and Proof of Insurance.

The contractor shall not commence work under these terms and conditions of the contract until all applicable Certificates of Insurance, Performance and Payment Bonds, and Irrevocable Letters of Credit (if required) have been approved by the County of Galveston and the Contractor has received notice to proceed in writing and an executed copy of the contract from the County Purchasing Agent.

18. DISPUTE AFTER AWARD/PROTEST:

Any actual or prospective Bidder who is allegedly aggrieved in connection with the solicitation of this Invitation to Bid or award of a contract resulting therefrom may protest. The protest shall be submitted in writing to the Purchasing Agent within seven (7) calendar days after such aggrieved person knows of or should have known of the facts giving rise thereto. If the protest is not resolved by mutual agreement, the Purchasing Agent will promptly issue a decision in writing to the protestant. If the protestant wishes to appeal the decision rendered by the Purchasing Agent, such appeal must be made to the Commissioners' Court through the Purchasing Agent. The decision of the Commissioners' Court will be final. The Commissioners' Court need not consider protests unless this procedure is followed.

19. PUBLIC INFORMATION ACT (f/k/a Open Records Act):

The bidder acknowledges that the County is a government body for purposes of the Public Information Act codified as Chapter 552 of the Texas Government Code, and as such is required to release information in accordance with the provisions of the Public Information Act.

If bidder considers any of its submitted information to be proprietary in nature, trade secret, or otherwise confidential, then it must clearly and conspicuously mark such information as proprietary, trade, secret, or confidential. By the submission of its bid, Bidder expressly affirms that it has clearly and conspicuously marked any information within its submission that is considers to be confidential, proprietary, and/or trade secret.

In the event the County receives a request for information under the Public Information Act seeking information that the Bidder has marked as confidential, proprietary, and /or trade secret, then the County agrees that it shall provide notice to the Bidder of the request for decision process under the Public Information Act – thus, the County will submit initial correspondence to the Texas Attorney General. Bidder is deemed to have knowledge of the Public Information Act. **By the submission of its bid, bidder expressly acknowledges that the burden to withhold its' information from public disclosure lays with the bidder;** thus, bidder further acknowledges and agrees that it shall submit comments to the Texas Attorney General in the request for decision process if bidder wishes to have it information withheld from public disclosure.

20. BIDDER'S E-MAIL ADDRESSES:

Notwithstanding the foregoing Section 18, Bidder acknowledges and agrees that the confidentiality of any and all email addresses it uses or discloses in communicating with the County are open to the public in accordance with Section 552.137 of the Government Code and consents to the release of its email addresses.

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21. RESULTANT CONTRACT:

Bidder shall correctly and fully execute the resultant contract first. After this, the contract shall be set for consideration by the Commissioners' Court. If the Commissioners' Court authorizes the execution of the contract, the resultant contract shall become effective upon the Commissioners' Court execution of same. Contract documents shall consist of the contract, the General and Special Provisions, drawings, bid package (including best and final offer(s) if such is utilized), any addenda issued, and any change orders issued during the work. If applicable to the attached bid, bidder must sign three (3) original contracts and return with their bid submittal.

Bidder should submit a proposed contract with its Bid or its sample material terms and conditions for review and consideration.

22. CONTRACT TERM:

The term of the resultant contract will begin on the date of execution by the Commissioners' Court, whichever is later, and will terminate on the date specified in the resultant contract unless terminated earlier as herein set forth.

23. TERMINATION FOR DEFAULT:

Failure of either party in the performance of any of the provisions of this contract shall constitute a breach of contract, in which case either party may require corrective action within ten (10) days from date of receipt of written notice citing the exact nature of such breach. Failure of the party being notified to take corrective action within the prescribed ten (10) days, or failure to provide written reply of why no breach has occurred, shall constitute a Default of Contract.

All notices relating to default by Bidder of the provisions of the contract shall be issued by County by its Legal Department, and all replies shall be made in writing to the County Legal Department. Notices issued by or issued to anyone other than the County Legal Department shall be null and void and shall be considered as not having been issued or received.

Galveston County reserves the right to enforce the performance of this contract in any manner prescribed by law in the event of breach or default of this contract, and may contract with another party, with or without solicitation of bids or further negotiations. At a minimum, Bidder shall be required to pay any difference in service or materials, should it become necessary to contract with another source, plus reasonable administrative costs and attorney fees.

In the event of Termination for Default, Galveston County, its agents or representatives shall not be liable for loss of any profits anticipated to be made by Bidder.

In addition to the remedies stated herein, the County has the right to pursue other remedies permitted by law or in equity.

No waiver by either party of any event of default under this agreement shall operate as a waiver of any subsequent default under the terms of this agreement.

County reserves the right to terminate this contract immediately in the event Bidder:

- A. Fails to meet delivery or completion schedules; and/or
- B. Fails to otherwise perform in accordance with the accepted Bid and the contract.

24. TERMINATION FOR CONVENIENCE:

County may terminate this contract upon at least thirty (30) calendar days prior written notice for its convenience or for any reason deemed by the County to serve the public interest. As well, County may terminate this contract upon

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thirty (30) calendar days prior written notice for any reason resulting from any governmental law, order, ordinance, regulations, or court order. In no event shall County be liable for loss of any profits anticipated to be made hereunder by Bidder should this contract be terminated early.

25. FORCE MAJEURE:

If by reason of Force Majeure either Party shall be rendered unable, wholly or in part, to carry out its responsibilities under this contract by any occurrence by reason of Force Majeure, then the Party unable to carry out its responsibility shall give the other Party notice and full particulars of such Force Majeure in writing within a reasonable time after the occurrence of the event, and such notice shall suspend the Party's responsibility for the continuance of the Force Majeure claimed, but for no longer period.

Force Majeure means acts of God, floods, hurricanes, tropical storms, tornadoes, earthquakes, or other natural disasters, acts of a public enemy, acts of terrorism, sovereign conduct, riots, civil commotion, strikes or lockouts, and other causes that are not occasioned by either Party's conduct which by the exercise of due diligence the Party is unable to overcome and which substantially interferes with operations.

26. ESTIMATED QUANTITIES:

Any reference to quantities shown in the Invitation to Bid is an estimate only. Since the exact quantities cannot be predetermined, the County reserves the right to adjust quantities as deemed necessary to meet its requirements.

27. CONTRACTOR INVESTIGATION:

Before submitting a bid, each Bidder shall make all investigations and examinations necessary to ascertain all site conditions and requirements affecting the full performance of the contract and to verify any representations made by the County upon which the contractor will rely. If the contractor receives an award as a result of its bid submission, failure to have made such investigations and examinations will in no way relieve the contractor from its obligation to comply in every detail with all provisions and requirements of the contract, nor will a plea of ignorance of such conditions and requirements be accepted as a basis for any claim whatsoever by the contractor for additional compensation and/or for excused nonperformance.

28. NO COMMITMENT BY COUNTY OF GALVESTON:

This Invitation to Bid does not commit the County of Galveston to award any costs or pay any costs, or to award any contract, or to pay any costs associated with or incurred in the preparation of a bid in response to this Invitation to Bid and does not commit the County of Galveston to procure or contract for services or supplies.

29. BID COSTS BORNE BY BIDDER:

Galveston County shall not be liable for any costs incurred by Bidder in preparation, production, or submission of a bid and shall not be liable for any work performed by Bidder prior to issuance of fully executed contract and properly issued notice to proceed. Galveston County shall not be liable for any costs incurred by Bidder by reason of attending a pre-Bid conference. Galveston County shall not be liable for any costs incurred by Bidder by reason of the County invoking use of best and final offers.

30. SINGLE BID RESPONSE:

If only one bid is received in response to the Invitation to Bid, a detailed cost bid may be requested of the single contractor. A cost/price analysis and evaluation and/or audit may be performed of the cost bid in order to determine if the price is fair and reasonable.

31. CHANGES IN SPECIFICATIONS:

If it becomes necessary to revise any part of this bid, a written notice of such revision will be provided to all Bidders in the form of addenda. The County is not bound by any oral representations, clarifications, or changes made in the written specifications by the County's employees, unless such clarification or change is provided to Bidders in a written addendum from the Purchasing Agent. Bidders are advised to inquire prior to the submission deadline as to

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whether any addenda to this invitation to bid have been issued, as the successful bidder will be required to abide by such addenda.

The County of Galveston reserves the right to revise or amend the specifications up to the time set for opening of bids. Such revisions and amendments, if any, shall be announced by amendments to the solicitation. Copies of such addenda (or addendum in the event only one addendum is issued in the procurement) shall be furnished to all prospective contractors. Prospective contractors are defined as those contractors listed on the County's Invitation to Bid list for this material/service or those who have obtained documents subsequent to the advertisement. If revisions and amendments require changes in quantities or prices proposed, or both, the date set for opening of bids may be postponed by such number of days as in the opinion of the County shall enable contractors to revise their bids. In any case, the bid opening shall be at least seven (7) business days after the last revising or amendment addendum shall include an announcement of the new date, if applicable, for the opening of bids.

32. BID IDEAS AND CONCEPTS:

The County reserves to itself the right to adopt or use for its benefit, any concept, plan, or idea contained in any bid.

33. BID DISCLOSURES:

The names of those who submitted bids will not be made public information unless in conformity with the County Purchasing Act. No pricing or staffing information will be released. Bidders are requested to withhold all inquiries regarding their bid or other submissions until after an award is made. No communication is to be had with any County employee or official, other than the County Purchasing Agent, regarding whether a bid was received. Violations of this provision may result in the rejection of a bid.

34. INDEMNIFICATION:

The contractor shall agree to assume all risks and responsibility for, and agrees to indemnify, defend, and save harmless, the County of Galveston, its elected and appointed officials and department heads, and its agents and employees from and against all claims, demands, suits, actions, recoveries, judgments, and costs and expenses including reasonable attorney's fees for the defense thereof in connection therewith on account of the loss of life, property or injury or damage to the person which shall arise from contractor's operations under this contract, its use of County facilities and/or equipment or from any other breach on the part of the contractor, its employees, agents or any person(s), in or about the County's facilities with the expressed or implied consent of the County. Contractor shall pay any judgment with cost which may be obtained against Galveston County resulting from contractor's operations under this contract.

Contractor agrees to indemnify and hold the County harmless from all claims of subcontractors, laborers incurred in the performance of this contract. Contractor shall furnish satisfactory evidence that all obligations

of this nature herein above designated have been paid, discharged or waived. If Contractor fails to do so, then the County reserves the right to pay unpaid bills of which County has written notice direct and withhold from Contractor's unpaid compensation a sum of money reasonably sufficient to liquidate any and all such lawful claims.

35. REQUIREMENT OF AND PROOF OF INSURANCE:

The successful Bidder shall furnish evidence of insurance to the County Purchasing Agent and shall maintain such insurance as required hereunder or as may be required in the Special Provisions or resultant contract, if different. Contractor shall obtain and thereafter continuously maintain in full force and effect, commercial general liability insurance, including but not limited to bodily injury, property damage, and contractual liability, with combined single limits as listed below or as may be required by State or Federal law, whichever is greater.

- A. For damages arising out of bodily injury to or death of one person in any one accident :
ONE MILLION AND NO/100 (\$1,000,000.00) DOLLARS.

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- B. For damages arising out of bodily injury to or death of two or more persons in any one accident:
TWO MILLION AND NO/100 (\$2,000,000.00) DOLLARS.
- C. For any injury to or destruction of property in any one accident :
ONE MILLION AND NO/100 (\$1,000,000.00) DOLLARS.

Insurance shall be placed with insurers having an A.M. Best's rating of no less than A. Such insurance must be issued by a casualty company authorized to do business in the State of Texas, and in standard form approved by the Board of Insurance Commissioners of the State of Texas, with coverage provisions insuring the public from loss or damage that may arise to any person or property by reason of services rendered by Contractor.

Galveston County shall be listed as the additional insured on policy certificates and shall be provided with no less than thirty (30) calendar days prior notice of any changes to the policy during the contractual period.

Certificates of Insurance, fully executed by a licensed representative of the insurance company written or countersigned by an authorized Texas state agency, shall be filed with the County Purchasing Agent within ten (10) business days of issuance of notification from the County Purchasing Agent to Bidder that the contract is being activated as written proof of such insurance and further provided that Bidder shall not commence work under this contract until it has obtained all insurance required herein, provided written proof as required herein, and received written notice to proceed issued from the County Purchasing Agent.

Proof of renewal/replacement coverage shall be provided upon expiration, termination, or cancellation of any policy. Said insurance shall not be cancelled, permitted to expire, or changed without thirty (30) days prior written notice to the County.

Insurance required herein shall be maintained in full force and effect during the life of this contract and shall be issued on an occurrence basis. Contractor shall require that any and all subcontractors that are not protected under the Contractor's own insurance policies take and maintain insurance of the same nature and in the same amounts as required of Contractor and provide written proof of such insurance to Contractor. Proof of renewed/replacement coverage shall be provided upon expiration, termination, or cancellation of any policy. Contractor shall not allow any subcontractor to commence work on the subcontract until such insurance required for the subcontractor has been obtained and approved.

Workers' Compensation Insurance: Successful Bidder shall carry in full force Workers' Compensation Insurance Policy(ies), if there is more than one employee, for all employees, including but not limited to full time, part time, and emergency employees employed by the successful Bidder. Current insurance certificates certifying that such policies as specified above are in full force and effect shall be furnished by successful Bidder to the County.

Insurance is to be placed with insurers having a Best rating of no less than A. The Bidder shall furnish the County with certificates of insurance and original endorsements affecting coverage required by these insurance clauses within ten (10) business days of receiving notification from the County Purchasing Agent that the contract is being activated.

The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. The Bidder shall be required to submit annual renewals for the term of this contract prior to expiration of any policy.

In addition to the remedies stated herein, the County has the right to pursue other remedies permitted by law or in equity.

The County agrees to provide Bidder with reasonable and timely notice of any claim, demand, or cause of action made or brought against the County arising out of or related to utilization of the property. Bidder shall have the

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right to defend any such claim, demand, or cause of action at its sole cost and expense and within its sole and exclusive discretion. The County agrees not to compromise or settle any claim or cause of action arising out of or related to the utilization of the property without the prior written consent of the Bidder.

In no event shall the County be liable for any damage to or destruction of any property belonging to the Bidder.

36. BID GUARANTEE:

Unless specified differently within the Special Provisions of this procurement, each Bidder shall be required to submit a bid guarantee with its bid as required within this Section.

Evidencing its firm commitment to engage in contract if Bidder is selected for award of contract, each Bidder is required to furnish with their bid a cashier's check or an acceptable Bidder's bond in the amount of five percent (5%) of the total contract price. If Bidder is using a bond, then the Bidder bond must be executed with a surety company authorized to do business in the State of Texas. Failure to furnish the bid guarantee in the proper form and amount, by the time set for opening of bids may be cause for rejection of the bid.

The cashier's check or Bidder/bid bond (as applicable) will be returned to each respective unsuccessful Bidder(s) subsequent to the Commissioners Court award of contract, and shall be returned to the successful Bidder upon the completion and submission of all contract documents. Provided however, that the cashier's check or Bidder bond will be forfeited to the County as liquidated damages should successful Bidder fail to execute the contract within thirty (30) days after receiving notice of the acceptance of its bid.

37. PERFORMANCE AND PAYMENT BONDS (if required):

Successful Bidder, before beginning work, shall execute a performance bond and a payment bond, each of which must be in the amount of the contract. The required payment and performance bonds must each be executed by a corporate surety authorized to write surety bonds in the State of Texas and in accordance with Chapter 3503 of the Insurance Code (codified in 2005 and originally within Section 1, Chapter 87, Acts of the 56th Leg., R.S., 1959, and in Article 7.19-1, Vernon's Texas Insurance Code).

The performance and payment bonds must each clearly and prominently display on the bond or on an attachment to the bond:

- a.) The name, mailing address, physical address, and telephone number, including the area code, of the surety company to which any notice of claim should be sent; or
- b.) The toll-free telephone number maintained by the Texas Department of Insurance under Subchapter B, Chapter 521, Insurance Code, and a statement that the address of the surety company to which any notice of claim should be sent may be obtained from the Texas Department of Insurance by calling the toll free-telephone number.

The performance bond shall be solely for the protection of Galveston County, in the full amount of the contract, and conditioned on the faithful performance of the work in accordance with the plans, specifications, and contract documents. The payment bond is solely for the protection and use of payment bond beneficiaries who have a direct contractual relationship with the prime contractor or a subcontractor to supply labor or material, and in the amount of the contract.

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The payment and performance bonds required to be furnished herein must be furnished before the contractor begins work and are a requirement for issuance of a Notice to Proceed. Such bonds must be furnished to the Galveston County Purchasing Agent within thirty (30) calendar days after the date of the full execution of the contract or, if applicable, as required under Chapter 2253, Government Code, whichever is earlier. Contractor's failure to provide the required payment and performance bonds within such time period shall constitute an event of default under this contract. Contractor shall not commence work until all applicable certificates of insurance, performance bonds, and payment bonds have been received and approved by the County Purchasing Agent and the Contractor receives notice to proceed in writing that has been issued by the County Purchasing Agent.

Additionally, if this request for bid is for the award of a public works contract, then compliance with Chapter 2253 of the Texas Government Code, which is known as the McGregor Act, is mandatory. Performance and payment bonds are required to be furnished in accordance with Chapter 2253 of the Texas Government Code. Bidder should familiarize itself with the entire provisions of Chapter 2253 of the Texas Government Code.

38. PATENT AND COPYRIGHT PROTECTION:

The Bidder agrees at its sole expense to protect the County from claims involving infringement of patents, copyright, trademark, trade secret, or other intellectual property rights. **Bidder shall indemnify and save harmless the County of Galveston, its officers, employees, and agents, from liability of any nature and kind whatsoever, including without limitation cost and expenses, for or on account of any copyrighted, trademarked, trade secret, patented or un-patented invention, process, or article manufactured or used in the performance of the contract, or other intellectual property rights, including its use by the County.** Bidder also agrees that if Bidder is awarded this contract, that no work performed hereunder shall be subject to patent, copyright, or other intellectual property by Bidder.

39. CONFLICT OF INTEREST DISCLOSURE REPORTING (FORM CIQ):

Bidder may be required under Chapter 176 of the Texas Local Government Code to complete and file a conflict of interest questionnaire (CIQ Form). The CIQ Form pertains to business relationship, gift giving and family relationship reporting. IF bidder is required to file a CIQ Form, then the completed CIQ Form must be filed with the County Clerk of Galveston County, Texas.

Business relationship. If Bidder has an employment or other business relationship with a local government officer of Galveston County work with a family member of a local government officer of Galveston County that results in the officer or family member of the officer receiving taxable income that exceeds \$2,500.00 during the preceding 12-month period, then Bidder **MUST** complete a CIQ Form and file the original of the CIQ Form with the County Clerk of Galveston County.

Gift-giving. If Bidder has given a local government officer of Galveston County or a family member of a local government officer of Galveston County one or more gifts with an aggregate value of more than one-hundred dollars (\$100.00) during the preceding 12-months, then Bidder **MUST** complete a CIQ Form and file the original of the CIQ Form with the County Clerk of Galveston County.

For purposes of the business relationship and gift giving reporting requirements, a "family member" means a person related to another person with the first degree of consanguinity or affinity, as described by Subchapter B, Chapter 573, Texas Government Code. Examples of persons within the first degree by consanguinity or affinity include a son, daughter, father, mother, spouse, son-in-law, daughter-in-law, father-in-law, mother-in-law, stepson, stepdaughter, stepmother, and stepfather.

Family relationship. If Bidder has a "family relationship" with a local government officer of Galveston County then Bidder **MUST** complete a CIQ Form and file the original of the CIQ Form with the County Clerk of Galveston County, regardless of whether Bidder has a business relationship or has given gifts to the local government office or a family member of the local government officer. For this purpose, "family relationship" means Bidder is related within

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the third degree by consanguinity or the second degree by affinity, as those terms are defined under Chapter 573 of the Texas Government Code, to a local government officer of Galveston County. Examples of such relationships include a son, daughter, mother, father, brother, sister, grandchild, great-grandchild, grandparent, great-grandparent, niece, nephew, uncle, aunt, spouse, mother-in-law, father-in-law, daughter-in-law, son-in-law, spouse's grandchild, spouse's grandparent, grandparent's spouse, grandchild's spouse, stepson, stepdaughter, stepmother, and stepfather.

Bidder must file its original CIQ Form with the Galveston County Clerk. The Galveston County Clerk has offices at the following locations:

Galveston County Clerk
Galveston County Justice Center, Suite 2001
600 59th Street
Galveston, Texas 77551

Galveston County Clerk
North County Annex, 1st Floor
174 Calder Road
League City, Texas 77573

Again, if Bidder is required to file a CIQ Form, the original completed form is filed with the Galveston County Clerk (not the Purchasing Agent).

For Bidder's convenience, a blank CIQ Form is enclosed with this bid package. Blank CIQ Form(s) may also be obtained by visiting the Purchasing Agent's website – this website is linked from the Galveston County homepage, at <http://www.co.galveston.tx.us>.

Chapter 176 specifies deadlines for the filing of CIQ Forms (both initial filings and updated filings).

It is Bidder's sole responsibility to file a true and complete CIQ Form with the Galveston County Clerk if Bidder is required to file by the requirements of Chapter 176 of the Local Government Code. Bidder is advised that it is an offense to fail to comply with the disclosure reporting requirements dictated under Chapter 176 of the Texas Local Government Code, and the failure to file may be grounds to void the contract, if Bidder is awarded a contract.

If bidder has any questions about compliance with Chapter 176, Bidder may wish to consult its' legal counsel. Compliance is the individual responsibility of each person, business, and agent who is subject to Chapter 176 of the Texas Local Government Code.

FORM 1295:

Certificate of Interested Parties (Form 1295):

In 2015, the Texas Legislature adopted [House Bill 1295](#), which added section 2252.908 of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The law applies only to a contract of a governmental entity or state agency that either (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed or (2) has a value of at least \$1 million. The disclosure requirement applies to a contract entered into on or after January 1, 2016.

The Texas Ethics Commission was required to adopt rules necessary to implement that law, prescribe the disclosure of interested parties form, and post a copy of the form on the commission's website. The commission adopted the Certificate of Interested Parties form (Form 1295) on October 5, 2015. The commission also adopted new rules (Chapter 46) on November 30, 2015, to implement the law.

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For Bidder's convenience, a blank Form 1295 is enclosed with this bid package. Blank Form 1295's may also be obtained by visiting the Purchasing Agent's website – this website is linked from the Galveston County homepage, at <http://www.co.galveston.tx.us>.

As well, blank Form 1295 may be obtained by visiting the Texas Ethics Commission website, specifically at http://www.ethics.state.tx.us/whatsnew/conflict_forms.htm.

40. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS:

Bidder certifies that neither it, nor any of its Principals, are presently debarred, suspended, proposed for debarment, disqualified, excluded, or in any way declared ineligible for the award of contracts by any Federal agency. Contractor agrees that it shall refund Galveston County for any payments made to Contractor while ineligible. Contractor acknowledges that Contractor's uncured failure to perform under this Agreement, if such should occur, may result in Contractor being debarred from performing additional work for the County, the GLO, the State, HUD, and other Federal and State entities. Further, Bidder has executed the Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters and returned the fully completed and executed original certification with the submission of its bid. **The truthful and fully completed and executed original of the Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters must be included with the submission of Bidder's Bid and is a mandatory requirement of this Invitation to Bid. Bidder's failure to include the fully completed and executed original of this Certification shall be considered non-compliance with the requirements of this Invitation to Bid and grounds for the rejection of Bidder's Bid.**

41. NON-COLLUSION AFFIDAVIT:

Bidder certifies, by signing and submitting a bid, that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the bid is genuine and not collusive or sham; that the contractor has not directly or indirectly induced or solicited another contractor to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any contractor or anyone else to put in a sham Bid or that anyone shall refrain from bidding; that the contractor has not in any manner, directly or indirectly, sought by agreement, communications, or conference with anyone to fix the bid price of the contractor of any other bidder, or to fix any overhead, profit or cost element of the bid price, or that of any other contractor, or to secure any advantage against the public body awarding the contract or anyone interested in the proposed contract; that all statements contained in the bid are true; and further, that the contractor has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any fee to any cooperation, partnership, company association, organization, Bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

A blank Non-Collusion Affidavit is included with this Bid packet. Bidder must enclose a truthful and fully executed original Non-Collusion Affidavit with the submission of its bid. This is a mandatory requirement of this Invitation to Bid. Failure to include the truthfully and fully executed Non-Collusion Affidavit in the submission of its Bid shall be considered non-compliance with the requirements of this Invitation to Bid by the Bidder and grounds for the rejection of Bidder's submission.

No negotiations, decisions, or actions shall be initiated by any company as a result of any verbal discussion with any County employee prior to the opening of responses to this Invitation to Bid.

No officer or employee of the County of Galveston, and no other public or elected official, or employee, who may exercise any function or responsibilities in the review or approval of this undertaking shall have any personal or financial interest, direct or indirect, in any contract or negotiation process thereof. The above compliance request will be part of all County of Galveston contracts for this service.

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42. CERTIFICATION REGARDING LOBBYING:

No Federal appropriated funds shall be paid or will be paid by or on behalf of the bidder/proposer to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal amendment, or medication of any Federal contract grant, loan or cooperative agreement.

The truthful and fully completed and executed original of the Certification Regarding Lobbying must be included with the submission of Bidder's Bid and is a mandatory requirement of this Invitation to Bid. Bidders failure to include the fully completed and executed or original of this Certification may be considered non-compliant with the requirements of this Invitation t Bid and grounds for the rejection of the Bidder's Bid.

43. SOVEREIGN IMMUNITY:

The County specifically reserves any claim it may have to sovereign, qualified, or official immunity as a defense to any action arising in conjunction with this contract.

44. CONTROLLING LAW AND VENUE:

Bidder acknowledges and agrees that the contract is and shall be governed and construed by the laws of the State of Texas and that venue shall lie exclusively in Galveston County, Texas.

45. MERGERS, ACQUISITIONS:

The Bidder shall be required to notify the County of any potential for merger or acquisition of which there is knowledge at the time that a bid is submitted.

If subsequent to the award of any contract resulting from this Invitation to Bid the Bidder shall merge or be acquired by another firm, the following documents must be submitted to the County:

- A. Corporate resolutions prepared by the awarded Bidder and the new entity ratifying acceptance of the original contract, terms, conditions and prices;
- B. New Bidder's Federal Identification Number (FEIN) and;
- C. New Bidder's proposed operating plans.

Moreover, Bidder is required to provide the County with notice of any anticipated merger or acquisition as soon as Bidder has actual knowledge of the anticipated merger or acquisition. The New Bidder's proposed plan of operation must be submitted prior to merger to allow time for submission of such plan to the Commissioners' Court for its approval.

46. DELAYS:

The County reserves the right to delay the scheduled commencement date of the contract if it is to the advantage of the County. There shall be no additional costs attributed to these delays should any occur. Bidder agrees it will make no claims for damages, for damages for lost revenues, for damages caused by breach of contract with third parties, or any other claim by Bidder attributed to these delays, should any occur. In addition, Bidder agrees that any contract it enters into with any third party in anticipation of the commencement of the contract will contain a statement that the third party will similarly make no claim for damages based on delay of the scheduled commencement date of the contract.

47. ACCURACY OF DATA:

Information and data provided through this Invitation to Bid are believed to be reasonably accurate.

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48. SUBCONTRACTING/ASSIGNMENT:

Bidder shall not assign, sell, or otherwise transfer its contract in whole or in part without prior written permission of Commissioners' Court. Such consent, if granted, shall not relieve the Bidder of any of its responsibilities under this contract.

49. INDEPENDENT CONTRACTOR:

Bidder expressly acknowledges that it is an independent contractor. Nothing in this agreement is intended nor shall be construed to create an agency relationship, an employer/employee relationship, a joint venture relationship, or any other relationship allowing County to exercise control or direction over the manner or method by which Bidder or its subcontractors perform in providing the requirements stated in the Invitation to Bid.

50. MONITORING PERFORMANCE:

The County shall have the unfettered right to monitor and audit the Bidder's work in every respect. In this regard, the Bidder shall provide its full cooperation and insure the cooperation of its employees, agents, assigns, and subcontractors. Further, the Bidder shall make available for inspection and/or copying when requested, original data, records, and accounts relating to the Bidder's work and performance under this contract. In the event any such material is not held by the Bidder in its original form, a true copy shall be provided.

51. PROCUREMENT ETHICS:

Galveston County is committed to the highest ethical standards. Therefore, it is a serious breach of the public trust to subvert the public purchasing process by directing purchases to certain favored vendors, or to tamper with the competitive bidding process, whether it's done for kickbacks, friendship or any other reason. Since misuse of the purchasing power of a local government carries criminal penalties, and many such misuses are from a lack of clear guidelines about what constitutes an abuse of office, the Code of Ethics outlined below must be strictly followed.

Galveston County also requires ethical conduct from those who do business with the County.

CODE OF ETHICS – Statement of Purchasing Policy:

Public employment is a public trust. It is the policy of Galveston County to promote and balance the objective of protecting the County's integrity and the objective of facilitating the recruitment and retention of personnel needed by Galveston County. Such policy is implemented by prescribing essential standards of ethical conduct without creating unnecessary obstacles to entering public office.

Public employees must discharge their duties impartially so as to assure fair competitive access to governmental procurement by responsible contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of the Galveston County procurement organization.

To achieve the purpose of this Article, it is essential that those doing business with Galveston County also observe the ethical standards prescribed herein.

General Ethical Standards:

It shall be a breach of ethics to attempt to realize personal gain through public employment with Galveston County by any conduct inconsistent with the proper discharge of the employee's duties.

It shall be a breach of ethics to attempt to influence any public employee of Galveston County to breach the standards of ethical conduct set forth in this code.

It shall be a breach of ethics for any employee of Galveston County to participate directly or indirectly in a procurement when the employee knows that:

- The employee or any member of the employee's immediate family, has a financial interest pertaining to the procurement;

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- A business or organization in which the employee or any member of the employee's immediate family, has a financial interest pertaining to the procurement; or
- Any other person, business, or organization with which the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

Gratuities:

It shall be a breach of ethics for any person to offer, give, or agree to give any employee or former employee of Galveston County, or for any employee or former employee of Galveston County to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract, or to any solicitation or bid pending before this government.

Kickbacks:

It shall be a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for Galveston County, or to any person associated therewith, as an inducement for the award of a subcontract or order.

Contract Clause:

The prohibition against gratuities and kickbacks prescribed above shall be conspicuously set forth in every contract and solicitation by Galveston County.

Confidential Information:

It shall be a breach of ethics for any employee or former employee of Galveston County to knowingly use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any other person.

Prohibition against Contingent Fees:

It shall be a breach of ethical standards for a person to be retained, or to retain a person, to solicit or secure a Galveston County contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business. Failure to abide by this section constitutes a breach of ethical standards.

Representation:

Bidder represents and warrants, by signing and submitting its bid, that it has not retained anyone in violation of this section prohibiting contingent fees.

Contract Clause:

The representation prescribed above shall be conspicuously set forth in every contract and solicitation thereof.

52. SUBJECT TO APPROPRIATION OF FUNDS:

State law prohibits the obligation and expenditure of public funds beyond the fiscal year for which a budget has been approved by the Commissioners' Court. Galveston County anticipates this to be an integral part of future budgets to be approved during the periods of this contract, except for unanticipated needs or events which may prevent such payments against this contract. However, Galveston County cannot guarantee the availability of funds, and enters into this contract only to the extent such funds are made available through appropriation (allocation) by the Commissioners' Court. This contract shall not be construed as creating any debt on behalf of the County of Galveston in violation of TEX. CONST. art. XI, § 7, and it is understood that all obligations of Galveston County are subject to the availability of funds.

**GENERAL PROVISIONS
BROADWAY & 54TH STREET PROPERTY
GALVESTON COUNTY, TEXAS**

53. NON-DISCRIMINATION:

- A. **Equal Employment Opportunity:** Bidder will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, sex, disability, genetic information or veteran status. Bidder will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, national origin, sex, disability, genetic information or veteran status. Such action shall include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Bidder agrees to post in conspicuous places, available to employees and applicants for employment, notices of employment.

Bidder will, in all solicitation or advertisements for employees placed by or on behalf of Bidder, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, sex, disability, genetic information, or veteran status.

Bidder will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

Bidder will include the provisions herein in every subcontract or purchase order unless exempted.

- B. **Drug Free Work Place Act:** Bidder shall comply with all applicable requirements of the Drug-Free Workplace Act of 1988 and implementing regulations.
- C. **Americans with Disabilities Act:** Bidder shall comply with all applicable provisions of the Americans with Disabilities Act and implementing regulations.
- D. **OSHA Regulations:** Bidder agrees to maintain and to display any applicable materials for its employees in accordance with OSHA regulations.
- E. **Compliance with Immigration Laws and Use of E-Verify:** Bidder agrees to comply with all requirements of the U.S. Immigration Reform and Control Act of 1986, as amended, and any implementing regulations thereto. Bidder further agrees to utilize the E-Verify system through the Department of Homeland Security on its employees. Bidder shall not employ unauthorized aliens, and shall not assign services to be performed to any supplier or subcontractor who are unauthorized aliens. If any personnel performing any services hereunder are discovered to be an unauthorized alien, then Bidder will immediately remove such personnel from performing services hereunder and shall replace such personnel with personnel who are not unauthorized alien(s).
- F. **State and Federal Law Compliance:** Bidder agrees to comply with all other State and Federal laws and regulations applicable to the provision of services under this contract.

54. RECORD RETENTION AND RIGHT TO AUDIT:

Bidder shall keep and maintain all records associated with this contract for a minimum of five (5) years from the close of the contract or as required by Federal or State law or regulation, whichever period is longer. If awarded this contract, Bidder shall allow the County reasonable access to the records in Bidder's possession, custody, or control that the County deems necessary to assist it in auditing the services, costs, and payments provided hereunder. If this contract involves the use of Federal or State funds, then Bidder shall also allow reasonable access to representatives of the Office of Inspector General, the General Accounting Office, and the other Federal and/or State agencies overseeing the funds that such entities deem necessary to facilitate review by such agencies and Bidder shall maintain

**GENERAL PROVISIONS
BROADWAY & 54TH STREET PROPERTY
GALVESTON COUNTY, TEXAS**

fiscal records and supporting documentation for all expenditures in a manner that conforms with OMB Circular A-87 (relocated to 2 C.F.R. Part 225) and this contract.

55. TITLE VI ASSURANCES/TxDOT:

The County is subject to Title VI of the Civil Rights Act of 1964 and the Federal and State laws and regulations of the United States Department of Transportation and Texas Department of Transportation (TxDOT). Pursuant to these requirements, the County must have its contractors provide required assurances on compliance with non-discrimination by itself and its subcontractors. The Title VI Assurances within this Subsection are not exhaustive – whenever any Federal, State, or Local requirement requires additional clauses, this list shall not be construed as limiting. Contractor agrees as follows:

- A. **Compliance with Regulations:** The Contractor shall comply with the Regulations relative to nondiscrimination in Federally-assisted programs of the Department of Transportation (hereinafter, DOT) Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are incorporated herein by reference and made a part of this contract.
- B. **Non-discrimination:** The Contractor, with regard to the work performed by it during the contract, shall not discriminate on the basis of race, color, national origin, religion, sex, age, disability or Veteran status in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor shall not participate either 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 Procurement of Materials and Equipment:** In all solicitations either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Contractor of the Contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, national origin, religion, sex, age, disability or Veteran status.
- D. **Information and Reports:** The Contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the Galveston County or the Texas Department of Transportation to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of the Contractor is in the exclusive possession of another who fails or refuses to furnish this information the Contractor shall so certify to Galveston County or the Texas Department of Transportation as appropriate, and shall set forth what efforts it has made to obtain the information.
- E. **Sanctions for Non-compliance:** In the event of the Contractor's noncompliance with the nondiscrimination provisions of this contract, Galveston County shall impose such contract sanctions as it or the Texas Department of Transportation may determine to be appropriate, including, but not limited to:
 - 1) withholding of payments to the Contractor under the contract until the Contractor complies, and/or;
 - 2) cancellation, termination, or suspension of the contract, in whole or in part.
- F. **Incorporation of Provisions.** The Contractor shall include the provisions of paragraphs (1) through (6) in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto. The Contractor shall take such action with respect to any subcontract or procurement as Galveston County or the Texas Department of Transportation may direct as a

**GENERAL PROVISIONS
BROADWAY & 54TH STREET PROPERTY
GALVESTON COUNTY, TEXAS**

means of enforcing such provisions including sanctions for non-compliance: Provided, however, that, in the event Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the Contractor may request Galveston County to enter into such litigation to protect the interests of Galveston County, and, in addition, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

56. SECTION 231.006, FAMILY CODE/DELINQUENT CHILD SUPPORT:

Pursuant to Title 5, Section 231.006 of the Texas Family Code, as applicable, Bidder certifies that it, including all of its principals, is/are current in child support payments and therefore, that it is eligible to receive payments from State funds under a contract for property, materials, or services. Bidder acknowledges and agrees that if it is awarded this contract, then the ensuing agreement may be terminated and payment withheld if this certification is inaccurate. Finally, by the submission of its bid, the Bidder certifies that it has included the names and social security numbers of each person with at least 25% ownership interest in Bidder within its response to the Invitation to Bid and that all such persons are current in child support payments.

57. ANTITRUST:

Pursuant to 15 U.S.C. § 1, et seq., and Texas Business and Commerce Code, Chapter 15, Contractor, by the submission of its bid, certifies that neither Contractor nor any natural person, proprietorship, firm, corporation, partnership, association, or institution represented by Contractor or anyone acting for such natural person, proprietorship, firm, corporation, partnership, association, or institution has violated any Federal or State antitrust laws or communicated the nature of the offer, directly or indirectly, to any competitor or other person engaged in a similar line of business.

58. LABOR STANDARDS:

Bidder acknowledges that the contract to be awarded pursuant to this solicitation is on a grant program funded with Federal funds. Bidder shall comply with the requirements of 29 CFR Part 5 and CFR Part 30 and shall be in conformity with Executive Order 11246, entitled "Equal Employment Opportunity", Copeland, "Anti-Kickback" Act (29 C.F.R. Part 3), the Davis-Bacon and Related Acts (29 C.F.R. Parts 1,3, and 5), the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701 et seq.), and all other applicable Federal, State, and local laws and regulations pertaining to labor standards, insofar as those acts apply to the performance of this Agreement. Bidder is also responsible for ensuring that all subcontractors comply with the requirements of 29 CFR Part 5 and CFR Part 30 and shall be in conformity with Executive Order 11246, entitled "Equal Employment Opportunity", Copeland "Anti-Kickback" Act, the Davis-Bacon and Related Acts (29 CFR Parts 1, 3 and 5), the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701 et seq.), and all other applicable Federal, State, and local laws and regulations pertaining to labor standards, insofar as those acts apply to the performance of this Agreement.

59. ENTIRETY OF AGREEMENT AND MODIFICATION:

This contract contains the entire agreement between the parties. Any prior agreement, promise, negotiation or representation not expressly set forth in this contract has no force or effect. Any subsequent modification to this contract must be in writing, signed by both parties.

An official representative, employee, or agent of the County does not have the authority to modify or amend this contract except pursuant to specific authority to do so granted by the Galveston County Commissioners' Court

60. NOTICE:

All notices or other communications required or permitted under this contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, transmitted by facsimile, or mailed certified mail, return receipt requested with proper postage affixed and addressed to the appropriate party at the following address or at such other address as may have been previously given in writing to the parties (Bidder shall provide its notice information with its Bid submission). If mailed, the notice shall be deemed delivered when actually received, or if earlier, on the third day following deposit in a United States Postal Service post office or receptacle, duly certified, return receipt requested, with proper postage affixed. If delivered in person, notice shall be deemed delivered when

**GENERAL PROVISIONS
BROADWAY & 54TH STREET PROPERTY
GALVESTON COUNTY, TEXAS**

received for by, or actually received by, the receiving Party. If transmitted by facsimile, notice shall be deemed delivered when receipt of such transmission is acknowledged.

To the County at:

Hon. Mark Henry,
County Judge of Galveston County
722 Moody (21st Street), Second (2nd) Floor
Galveston, Texas 77550
Fax: (409) 765-2653

With copies to:

Rufus Crowder, CPPO CPPB,
Galveston County Purchasing Agent
722 Moody (21st Street), Fifth (5th) Floor
Galveston, Texas 77550
Fax: (409) 621-7997

Robert Boemer, Director,
Galveston County Legal Department
722 Moody (21st Street), Fifth (5th) Floor
Galveston, Texas 77550
Fax: (409) 770-5560

To the Contractor at:

(Bidder to provide its contact name, address, and facsimile number for notice hereunder.)

End of General Provision Section

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ITB #B171005
OPEN: 06/08/2017
TIME: 2:00 P.M.

**SPECIAL PROVISIONS
BROADWAY & 54TH STREET PROPERTY
GALVESTON COUNTY, TEXAS**

The Special Provisions section of this Invitation to Bid solicitation and the exhibits attached herein are made a part of the entire agreement between the parties with respect to the subject matter of the Invitation to Bid and Resultant Contract Agreement, and supersede the General Provisions, any prior negotiations, agreements, and understandings with respect thereto.

PURPOSE:

Pursuant to Texas Local Government Code 263.007, Sale or Lease of Real Property Through Sealed-Bid Procedure, and approval passed by the Commissioners' Court of Galveston County, Texas, on November 8, 2016, sealed bids for the sale of a 3.7595 acre tract of land, more or less, belonging to Galveston County, will be received in the office of the Galveston County Purchasing Agent. A metes and bounds legal description of the 3.7595 acre tract of land is attached to these Special Provisions as Schedule I.

The property is located on Galveston Island on the northwest corner of Broadway and 54th Street in the City and County of Galveston, Texas, together with all improvements located thereon. All public utilities are available to the site. Among other easements and restrictions, the parcel is subject to an Easements, Covenants, Conditions and Restrictions by and between Lowe's Home Centers, Inc., a North Carolina Corporation, and Galveston County, a Political Subdivision of the State of Texas which has an effective date of October 13, 2011, and which may be found filed of record in the Official Public Records of the County Clerk of Galveston County, Texas on October 20, 2011, under GAC2011053638; a First Amendment to Both the Agreement to Sell and Purchase Real Estate and to the Easements, Covenants and Restrictions Agreement by and between Lowe's Home Centers, Inc., a North Carolina Corporation and Galveston County, Texas which has an effective date of February 21, 2012, and which may be found filed of record in the Official Public Records of the County Clerk of Galveston County, Texas under GAC2012008452; and a Second Amendment to Both the Agreement to Sell and Purchase Real Estate and to the Easements, Covenants and Restrictions Agreement by and between Lowe's Home Centers, Inc., a North Carolina Corporation and Galveston County, Texas which has an effective date of May 14, 2013 and which may be found filed of record in the Official Public Records of the County Clerk of Galveston County, Texas under GAC2013029882.

BID GUARANTEE:

The highest bidder will be required to tender \$10,000 in the form of a cashier's check or via electronic transfer of funds to the title company as earnest money before 5:00 p.m. on the second business day following the closing deadline for the bids. If the highest bidder does not deposit the required \$10,000 by this date and time their bid may automatically be rejected and the next highest bidder may be given the opportunity to tender the \$10,000 in the form of a cashier's check or via electronic transfer of funds by 5:00 p.m. of the fifth business day following the closing deadline for bids.

**SPECIAL PROVISIONS
BROADWAY & 57TH STREET PROPERTY
GALVESTON COUNTY, TEXAS**

The highest bidder or, if applicable, the next highest bidder, will be required to acknowledge that they will lose the \$10,000 earnest money in the event of their default and failure to finalize the transaction within sixty (60) days following the closing deadline for bids unless such a failure to finalize is permitted by the terms of the earnest money contract. The deadline to finalize the transaction may be extended by an additional seventy five (75) days by tendering an additional earnest money deposit of One Hundred Thousand Dollars (\$100,000.00) by cashier's check or via electronic transfer of funds on or before sixty (60) days following the closing deadline for bids. In the event that the deadline to finalize the transaction is extended for an additional seventy five (75) days, the highest bidder or, if applicable, the next highest bidder will be required to acknowledge that they will lose the \$110,000 earnest money in the event of their default and failure to finalize the transaction within the extended deadline.

PERFORMANCE AND PAYMENT BONDS:

Performance and Payment bonds are not a requirement of this solicitation.

BEST AND FINAL OFFERS (BAFO):

The Best and Final Offer process is not applicable to this solicitation.

PRE-BID CONFERENCE

There is no Pre-Bid Conference scheduled for this solicitation.

The property will be sold in accordance with the following procedures:

Bid packets may be picked up from the Galveston County Purchasing Department at the address listed below:

**Galveston County Purchasing Department
Galveston County Courthouse
722 Moody (21st Street), 5th floor
Galveston, Texas 77550
(409) 770-5371**

Each bid packet will contain photographs of the tract of land to be sold, copies of the environmental assessments and other reports currently held by Galveston County, the Agreement to Sell and Purchase Real Estate to be used, and other information germane to the sale.

The process will be conducted by sealed bids using the bid forms provided in the bid packet.

The Commissioners' Court will only consider selling the entire 3.7595 acre tract. No bid will be accepted on only portions of the tract.

The lowest bid amount authorized to be received for this tract of land may not be less than \$1,835,000.00 plus the appraisal fee, the costs of advertising, and other expenses incident to the sale.

**SPECIAL PROVISIONS
BROADWAY & 54TH STREET PROPERTY
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The Commissioners' Court will be advised at its next regularly scheduled meeting held after the closing date specified above the amount tendered by the highest bidder and whether the earnest money has been received as specified in the bid document.

The Commissioners' Court will not accept bids nor authorize the sale of the property for an amount less than the minimum bid specified above plus the appraisal fee, publication costs, and other expenses of sale.

The Commissioners' Court will approve the amount prior to authorizing the sale. The successful bidder will be required to execute the Agreement to Sell and Purchase Real Estate before 5:00 p.m. within two (2) weeks of the recommendation on the proposed successful bidder is made to the Commissioners' Court and the Commissioners' Court awards the bid.

The closing of the transaction(s) will take place as provided for in the earnest money contract

The deed of conveyance will be subject to all the easements, mineral reservations, mineral leases, conditions, and reservations set forth in the deed to be conveyed. In addition, the parties will, in all likelihood, be required to acknowledge the applicability and effect of existing an Easements, Convenants, Conditions, and Restrictions Agreement and a Site Development Agreement containing conditions which bind the County and which will bind the Buyer.

The Commissioners' Court may reject any and all bids submitted at any time, for any reason, or for no reason, or for convenience, prior to execution of the deed and the receipt of funding. Likewise it may reject an offer of purchase even if the offer of purchase exceeds the minimum bid. In the event that Commissioners Court rejects an offer of purchase, any earnest money will be returned to the prooper.

Additional Information pertaining to this sale may also be seen at the Galveston County website:
www.co.galveston.tx.us .

PROGRAM ADMINISTRATION:

The County's Legal Department will designate a Program Administrator that will manage the work to be performed under the resultant contract, who for the purpose of this RFP is:

**Bob Boemer,
Galveston County Legal Director
722 Moody, 5nd Floor
Galveston, TX 77550
(409) 770-5562**

**SPECIAL PROVISIONS
BROADWAY & 54TH STREET PROPERTY
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The Galveston County Commissioners Court, and/or authorized designees will be responsible for negotiating with the successful Vendor the scope of work, the standards of performance, and the support services required. All contractual amendments will be processed in accordance with Galveston County Purchasing Policies. Amendments will also be brought to Galveston County Commissioners Court for approval as deemed necessary. The approval process serves to ensure the project technology and/or service is within the scope of the resultant contract, and that pricing meets the agreed upon pricing methodology as specified in the contract, and that funds are available.

SCHEDULE OF EVENTS:

The following is a schedule of events concerning the procurement process:

	<u>Date</u>
Advertise Bid (first date of publication)	Wednesday, May 17, 2017
Advertise Bid (second date of publication)	Wednesday, May 24, 2017
Questions Due	Tuesday, May 30, 2017
Bids due from bidders/Bid Opening	Thursday, June 8, 2017 @ 2:00 P.M.

SAMPLE CONTRACT/MATERIAL TERMS AND CONDITIONS:

Bidder is requested to submit a sample contract or its proposed material terms and conditions in the event it is awarded a contract pursuant to this procurement.

QUESTIONS:

Written questions will be received until **5:00 p.m. on Tuesday, May 30, 2017** and thereafter written responses will be issued as quickly as possible to all parties who submitted such questions.

Questions must be submitted via email only to:

Rufus Crowder, CPPO CPPB
Galveston County Purchasing Agent
@ rufus.crowder@co.galveston.tx.us

SUBMISSION INSTRUCTIONS

One (1) original and four (4) copies of the bid must be submitted no later than **2:00 P.M. CST on Thursday, June 8, 2017** to:

Rufus G. Crowder, CPPO CPPB
Galveston County Purchasing Agent
722 Moody Avenue (21st Street), Fifth (5th) Floor)
Galveston, TX 77550

ITB# B171005
OPEN: 06/08/2017
TIME: 2:00 P.M.

**SPECIAL PROVISIONS
BROADWAY & 54TH STREET PROPERTY
GALVESTON COUNTY, TEXAS**

Schedule I

Legal Description of the Parcel

DESCRIPTION OF 3.7595 ACRES OR 163,766 SQ. FT.

A TRACT OR PARCEL CONTAINING 3.7595 ACRES OR 163,766 SQUARE FEET OF LAND SITUATED IN THE MICHAEL B. MENARD SURVEY, ABSTRACT NO. 628, GALVESTON COUNTY, TEXAS, BEING OUT OF RESERVE "B" OF THE GALVESTON COUNTY JUSTICE CENTER AMENDING PLAT AS RECORDED UNDER PLAT RECORD 2004A, MAP NOS. 200 AND 201 OF THE GALVESTON COUNTY MAP RECORDS, WITH SAID 3.7595 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD 83):

BEGINNING AT A CAPPED 5/8" IRON ROD "STAMPED WINDROSE LAND SERVICES" FOUND AT THE INTERSECTION OF THE NORTHERLY RIGHT-OF-WAY LINE OF BROADWAY BOULEVARD (AVENUE "J" - 150' WIDTH) AND THE WESTERLY RIGHT-OF-WAY LINE OF 54TH STREET (100' WIDTH), FOR THE SOUTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE SOUTH 71° 18' 10" WEST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF BROADWAY BOULEVARD, A DISTANCE OF 280.00 FEET TO A POINT FOR A SOUTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE NORTH 63° 41' 50" WEST, A DISTANCE OF 28.28 FEET TO AN ANGLE POINT;

THENCE NORTH 18° 41' 50" WEST, A DISTANCE OF 206.17 FEET TO A POINT FOR CORNER;

THENCE NORTH 71° 18' 10" EAST, A DISTANCE OF 24.00 FEET TO A POINT FOR AN INTERIOR CORNER OF THE HEREIN DESCRIBED TRACT;

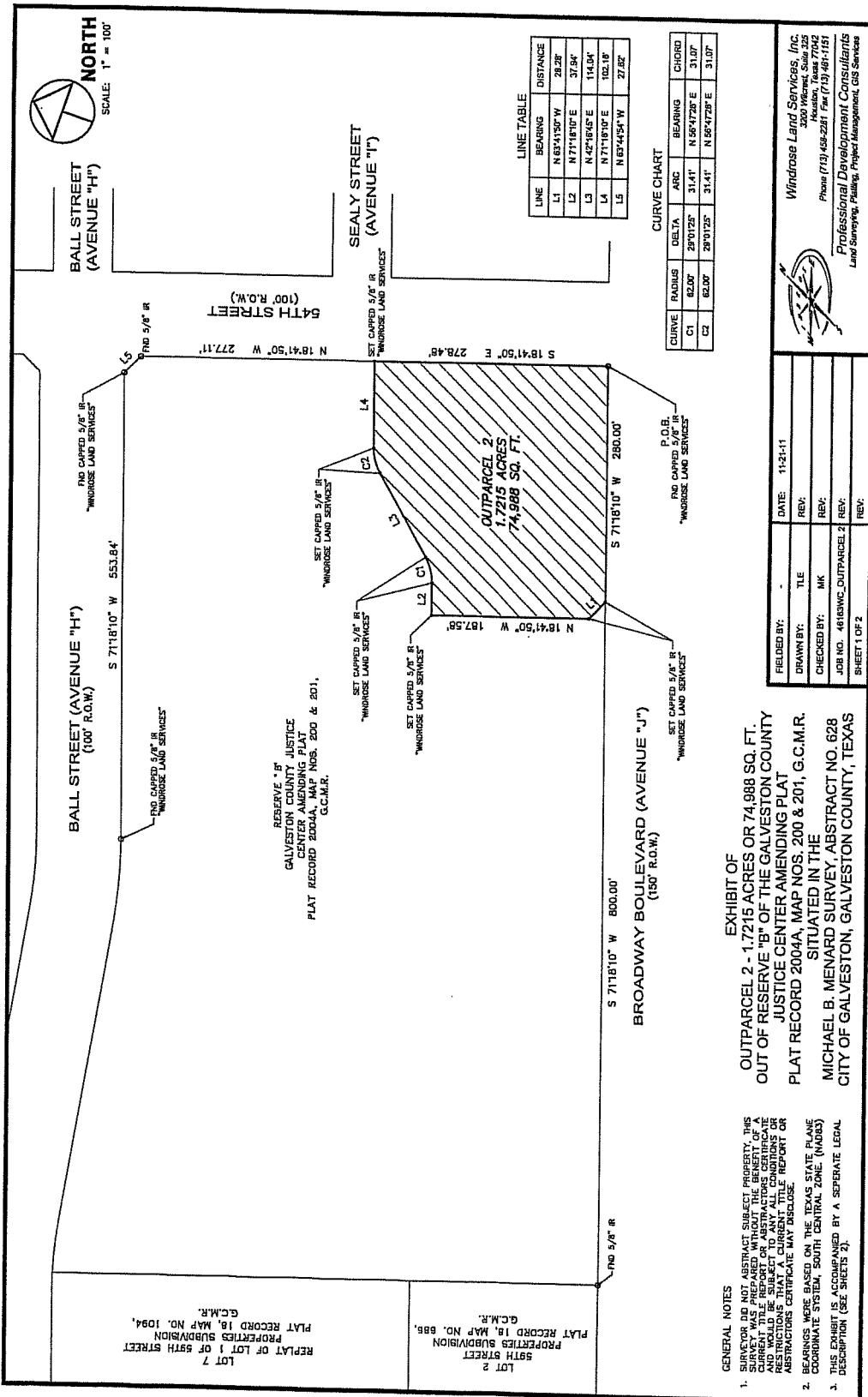
THENCE NORTH 18° 41' 50" WEST, A DISTANCE OF 348.94 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF BALL STREET (AVENUE "H" - 100' WIDTH), FOR THE NORTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE NORTH 71° 18' 10" EAST ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF BALL STREET, A DISTANCE OF 256.46 FEET TO A CAPPED 5/8" IRON ROD "STAMPED WINDROSE LAND SERVICES" FOUND MARKING THE NORTHWESTERLY CUT BACK CORNER AT THE INTERSECTION OF SAID SOUTHERLY RIGHT-OF-WAY LINE OF BALL STREET AND SAID WESTERLY RIGHT-OF-WAY LINE OF 54TH STREET, FOR A NORTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE SOUTH 63° 44' 54" EAST ALONG SAID CUT BACK, A DISTANCE OF 27.62 FEET TO A 5/8" IRON ROD FOUND MARKING THE SOUTHEASTERLY CORNER OF SAID CUT BACK;

THENCE SOUTH 18° 41' 50" EAST ALONG SAID WESTERLY RIGHT-OF-WAY LINE OF 54TH STREET, A DISTANCE OF 555.59 FEET TO THE PLACE OF BEGINNING AND CONTAINING 3.7595 ACRES OR 163,766 SQUARE FEET OF LAND, AS SHOWN ON JOB NO. 46163WC, PREPARED BY WINDROSE LAND SERVICES INC.

Exhibit "A"



LINE TABLE

LINE	BEARING	DISTANCE
L1	N 63°41'50" W	28.28'
L2	N 77°18'10" E	37.94'
L3	N 42°18'45" E	114.84'
L4	N 71°18'10" E	102.18'
L5	N 63°44'54" W	27.82'

CURVE CHART

CURVE	RADIUS	DELTA	ARC	BEARING	CHORD
C1	62.00'	28°10'25"	31.41'	N 56°47'28" E	31.07'
C2	62.00'	28°10'25"	31.41'	N 56°47'28" E	31.07'

HELD BY:	DATE:
DRAWN BY:	REV:
CHECKED BY:	REV:
JOB NO. 46183WC, OUTPARCEL 2	REV:
SHEET 1 OF 2	REV:

Windrose Land Services, Inc.
Houston, Texas 77042
Phone (713) 456-2281 Fax (713) 461-1151
Professional Development Consultants
Land Surveying, Planning, Project Management, GIS Services

EXHIBIT OF
OUTPARCEL 2 - 1.7215 ACRES OR 74,988 SQ. FT.
OUT OF RESERVE "B" OF THE GALVESTON COUNTY
JUSTICE CENTER AMENDING PLAT
PLAT RECORD 2004A, MAP NOS. 200 & 201, G.C.M.R.,
SITUATED IN THE
MICHAEL B. MENARD SURVEY, ABSTRACT NO. 628
CITY OF GALVESTON, GALVESTON COUNTY, TEXAS

- GENERAL NOTES
- SURVEYOR DID NOT ABSTRACT SUBJECT PROPERTY. THIS CURRENT WAS PREPARED WITHOUT THE BENEFIT OF A CURRENT SURVEY. THIS SURVEY IS FOR INFORMATION ONLY AND WOULD BE SUBJECT TO ANY ALL CONDITIONS OR ABSTRACTS CONTAINED IN A CURRENT TITLE REPORT OR ABSTRACTS GENERATE ANY DISCLOSE.
 - BEARINGS WERE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD83).
 - THIS SURVEY IS ACCOMPANIED BY A SEPARATE LEGAL DESCRIPTION (SEE SHEETS 3).

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SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

=====

Effective Date of Appraisal February 25, 2017
Date of Inspection February 25, 2017
Date of Report.....April 8, 2017
Purpose of Appraisal..... Estimate Market Value
Property Rights Appraised Fee Simple Estate
Highest and Best Use (As Vacant)..... Commercial Development
Site Data- Total Net Area..... 3.7595 Acres/163,766 SF
Outparcel 1 2.0381 Acres/88,778 SF
Outparcel 2 1.72145 Acres/74,988 SF
Access Easement. (not valued)..... 0.1746 Acres/7,607 SF

Flood Plain Data Zone A
..... (In 100 Year Flood Plain)

Zoning..... Light Industrial with Gateway Development Overlay

VALUE CONCLUSIONS

OUTPARCEL 1 -	\$710,224
OUTPARCEL 2 -	\$1,124,820
TOTAL	\$1,835,000-Rounded

INTRODUCTION

CONTINGENT AND LIMITING CONDITIONS

- 1) The legal description furnished is correct.
- 2) The title to the property is good and marketable.
- 3) No responsibility for legal matters is assumed.
- 4) It is assumed that the property is free and clear of indebtedness of all taxes and assessments that have been paid.
- 5) Possession of this report does not carry with it the right of public nor may it, or any part thereof, be used by anyone but the applicant without the previous written consent of the appraiser.
- 6) Sketches and maps included in this report are to assist the reader to visualize the property, and responsibility is not assumed as to their accuracy as I have made no survey of the property.
- 7) No part of this appraisal shall be used in conjunction with any other appraisal, and all opinions expressed herein are invalid if so used.
- 8) We believe the information in this report to be reliable if furnished by others, but we assume no responsibility for its accuracy.
- 9) We are not required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless arrangements have been made previously.
- 10) Upon inspection of the subject property, no evidence of hazardous wastes was noted and, if hazardous wastes are found on the property, it may affect the value of the site. This appraisal has been made under the assumption that the subject property does not have potentially hazardous waste deposits.
- 11) Any lease, agreements or other written or verbal representations and/or communications and information received by the appraiser(s) have been reasonably relied upon in good faith but have not been analyzed for their legal implications. We urge and caution the user of this report to obtain legal counsel of his/her own choice to review the legal and factual matters, and to verify and analyze the underlying facts and merits of any investment decision in a reasonably prudent manner.
- 12) No soil or subsoil data or analysis based on engineering core borings or other tests were furnished to us. We have assumed that there are no subsoil defects present that would impair development of the land to its maximum permitted use or would render it more or less valuable. No

responsibility is assumed for engineering which might be required to discover such factors.

- 13) The projections of income, expenses, terminal values or future sales prices are not predictions of the future; rather, they are the best estimate of current market thinking of what the future trends will be. No warranty or representations is made that these projections will materialize. The real estate market is constantly changing. It is not the task of the appraiser to estimate the conditions of a future real estate market, but rather to reflect what the investment community envisions for the future, and upon what assumptions the future investment decisions are based.
- 14) The Americans with Disabilities Act (ADA) became effective January 26, 1992. We have NOT made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the ADA. It is possible that a detailed survey of the subject property would reveal that the subject property is not in compliance with the ADA.

Special Report Conditions, Appraiser's Liability & Limitations and Client Agreements.

The acceptance of this report and its use by the Client in any manner whatsoever or for any purpose is acknowledgement by the client that the designated recipient, participant or assignee has personally read the report and specifically agrees that the data herein is accurate to the best of the appraiser's ability. This report remains the personal property of the signer and may not be transmitted or relied on by any third party without the signer's written permission. It is agreed that the appraiser's responsibility does not extend to any third party under any circumstances whatsoever.

As an amendment to the Appraiser/Client agreement, the Client agrees to read the appraisal and agrees to notify the Appraisal firm of any objections, errors, omissions or invalid data herein within 15 days of receipt of this report and return all copies of report to appraiser for correction prior to any use whatsoever. Under no circumstances shall the Company's or any Appraiser's liability exceed the fee actually collected for this report and then only in case of a gross error(s) which would have materially affected the appraisal's value indication as of the date of the valuation. By acceptance of this report by the client, the client acknowledges the foregoing statements and also acknowledges that a value opinion is the product of the company which produces an opinion, not a provable fact. As a personal opinion, valuations may vary between appraisers based on the same facts. The client agrees that the signer(s) of this appraisal have done so solely as employee(s) of R.C. Chuoke & Associates and not individually.

BASIC ASSUMPTIONS

This analysis is subject to the following basic assumptions:

1. That the economy of the nation and the general subject market area (GALVESTON COUNTY) remain at approximately current levels or slightly improving.
2. That there will be no substantial change in federal, state or local tax or insurance rates which could adversely affect the cash position of the property.
3. It is assumed that there are no hidden or unapparent conditions of the property, sub soils or structures that would render it more or less valuable. No responsibility is assumed for such conditions or for engineering that may be required to discover such factors.
4. It is assumed that there is full compliance with all applicable federal, state and local governmental regulations and laws unless non-compliance is stated, defined and considered in the appraisal report.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the subject property for decision making purposes by the client/intended user which is County of Galveston.

EFFECTIVE DATE OF THIS APPRAISAL

The effective date of the appraisal is February 25, 2017.

DATE OF INSPECTION

The last inspection of the subject property was February 25, 2017.

DATE OF REPORT

The date of the appraisal report is April 8, 2017.

BRIEF LEGAL DESCRIPTION OF PROPERTY

Outparcel 1- 2.0381 acres out of Reserve “B” of the Galveston County Justice Center Amending Plat, M. B. Menard Survey, Abst. 628, Galveston County, Texas

Outparcel 2- 1.7215 acres out of Reserve “B” of the Galveston County Justice Center Amending Plat, M. B. Menard Survey, Abst. 628, Galveston County, Texas

Access Road- 0.1746 acres out of Reserve “B” of the Galveston County Justice Center Amending Plat, M. B. Menard Survey, Abst. 628, Galveston County, Texas (See surveys and legal descriptions located in the addenda to the report).

EXPOSURE TIME

Based on discussions with Realtors and a review of the available listings in the subject area versus the actual sold properties, an estimated exposure time of up to 12 months is anticipated.

INTEREST APPRAISED

Fee Simple Estate.

OWNERSHIP HISTORY OF SUBJECT

The County of Galveston reportedly owns the subject property, per the deed provided. No transfer of the subject property was noted for the past three (3) years. The subject property is not known to be currently listed for sale or reported to be under contract.

PERSONAL PROPERTY

No personal property was appraised as part of this analysis.

INSTRUCTIONS TO APPRAISAL FIRM

The instructions to the appraisal firm were to prepare an Appraisal Report in order to estimate the market value of the subject property as described.

INTENDED PURPOSE/INTENDED USE/INTENDED USER

This appraisal report is NOT intended to be used for estimating collateral worth for loan underwriting by federally insured financial institutions. It is intended to be used **only** by the client/intended user for estimating the current market value of the subject property for decision making purposes. The client & intended user is Galveston County only. Any other use or reliance of this report by the borrower or any other unauthorized third party is strictly prohibited unless otherwise specified.

MARKET VALUE

In this report, **Market Value** is defined as “The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in the definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under condition whereby:

- (a) buyer and seller are typically motivated;
- (b) both parties are well informed or well advised, and each acting in what they consider their best interest;
- (c) a reasonable time is allowed for exposure in the market;
- (d) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (e) the price represents a normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”¹

¹ Office of the Comptroller of the Currency’s Real Estate Rule, 12 CFR Part 34, effective August 24, 1990

STATEMENT OF ENVIRONMENTAL CONDITION

Upon the routine inspection of the subject property, no evidence of any hazardous wastes or detrimental environmental conditions was noted; however, if hazardous wastes are found on the subject property, it may affect the value of the site and we suggest that the client obtain the services of a qualified expert to determine the status of the situation. This appraisal has been made under the assumption that the subject property does NOT have any potential hazardous waste deposits. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous materials that the appraiser is not qualified to detect.

PREFACE

An appraisal is a type of investigation into the law of probabilities with respect to real estate valuation. Through the appraiser's experience, training and integrity, we are able to project the past activities of buyers in the marketplace into a forecast of real estate value. In reaching a conclusion, comparison of properties often involves adjustments due to the individuality and uniqueness of each property. Transactions involving real estate are often influenced by sentiment, bias, specific needs, politics, familiarity, lack of understanding, and other conditions not considered to be impartial to the appraiser.

An appraisal cannot be guaranteed, nor can it be proven. The opinion can, however, be substantiated and the final opinion is the result of a thorough, professional analysis of a vast quantity of physical and economic data. An appraisal must not be considered absolute, but should be used as a basis of negotiation between concerned parties, whatever their interest.

With the preceding in mind, the reader's attention is invited to the following report which points out the facts and reasoning leading to the final estimate of value.

SCOPE OF THIS APPRAISAL

The Uniform Standards of Professional Appraisal Practice, promulgated by *The Appraisal Foundation*, "Scope of Work Rule"² requires the appraiser:

1. identify the problem to be solved;
2. determine and perform the scope of work necessary to develop credible assignment results; and
3. disclose the scope of work in the report.

The problem to be solved in this assignment is to assist the client in forming an opinion as to the fee simple, market value of the subject property. The subject of this assignment is a 3.7595 net acre tract of land comprised of two (2) outparcels and located on the corners of Broadway and 54th Street, and Ball Street and 54th Street, in the City of Galveston, Galveston County, Texas. The outparcels of land separated by an access easement. The methodology of this appraisal was to value the two (2) outparcels independently. The access easement was not valued in this analysis.

The appraisal development, reporting process and scope of this appraisal is as follows:

1. Make an inspection of the subject property. Investigate the physical data on the subject property provided by our onsite inspection, any data or surveys provided by the client and data provided by the County Appraisal District records.
2. Consider onsite improvements, if any, and in this case, the subject is considered to be unimproved.
3. Review comparable sale service documents such as MLS, Loopnet, etc., and have discussions with active real estate agents and other knowledgeable individuals in the subject neighborhood with reference to sales and market activity/trends in the subject neighborhood.
4. Analyze the Highest and Best Use of the subject property "as though Vacant" and "as Improved."
5. Develop an opinion of the property using the applicable appraisal methods to arrive at a credible value indication. In the case of the subject property, the Direct Sales Comparison Approach-Land to value was considered applicable and utilized

² *Uniform Standards of Professional Appraisal Practice*.

in this report. The Cost Approach and Income Approach were omitted since the subject property is an unimproved tract of land.

6. Research the market for relevant sales data, comparing the findings to the subject property in the formation of a value opinion by the Direct Sales Comparison Approach-Land.
7. Reconcile the data developed above to arrive at a credible opinion as to the market value of the subject property, as of the effective date of this appraisal with an exposure time to the market as developed herein.
8. Report the findings to the client in an Appraisal Report format in compliance with the Uniform Standards of Professional Appraisal Practice.

HOUSTON AREA ANALYSIS

Analysis of the market area in which a particular property is located is an essential part of every appraisal. The subject property's market area is considered to be the Houston-Galveston-Brazoria Consolidated Metropolitan Statistical Area (CMSA) which consists of the city of Houston, Harris, Brazoria, Chambers, Fort Bend, Galveston, Liberty, Montgomery and Waller Counties. The total land area consists of approximately 8,800 square miles.

Topography. The topography of the area is generally flat, ranging from sea level to 310 feet in altitude. The southern portion of the area is prairie with few trees, while the northern portion of the area is heavily wooded. There are no natural barriers or topographical features which adversely affect any type of building conditions.

Soil and Subsoil Conditions. This area's soil and subsoil conditions are adequate for all types of construction as evidenced by the existing improvements in the area. The exception consists of limited areas in the vicinity of the Houston Ship Channel, which are currently experiencing subsidence.

Climate. The climate of Houston/Galveston is mild with temperatures ranging from 44 degrees to 88 degrees. The average annual rainfall is 43 inches and humidity ranges from 60 percent to 91 percent throughout the year. Prevailing winds are from the Gulf of Mexico and are moderate. Pollution is a factor due to the City's industry and heavy traffic flow.

Medical Facilities. Houston is known for its Medical Center . The Medical Center, as it is commonly termed, is one of the largest medical facilities in the world and includes M. D. Anderson, a cancer research and treatment center, and Texas Children's Hospital. Located in Galveston is the University of Texas Medical Center which employs thousands of employees. There is a medical school located in the complex under the University of Texas system. The complex encompasses approximately 2.5 square miles on the east end of Galveston Island. It was damaged in Hurricane Ike but was rebuilt and continues to expand.

Cultural and Entertainment Facilities. Library facilities in the area include the Houston Public Library System with numerous branches and bookmobiles. Nearly every major religion is represented in Houston by various churches and synagogues.

Convention facilities in Houston include: Toyota Center, Reliant Stadium complex and Jones Hall, Wortham and Hobby Centers. Additionally, there is the George R. Brown Convention Center. Adjacent to the Reliant Stadium which is a football stadium is the original Astrodome facility. Houston has many municipal parks and playgrounds, municipal golf courses, municipal swimming pools, softball and regulation baseball fields, tennis courts, and community recreation centers. Other cultural activities in the area include music, theater, ballet, and museums.

Economic Base. The Houston SMSA has a multiple industry-based economy to include: natural resources, manufacturing, marketing, merchandising, banking, research and development, oceanography, agribusiness, and the space industry. Natural resources in the area include: oil and gas, forest products, sulphur, lime, magnesium, barite, bromine, cement, clays, gypsum, perlite, sand and gravel, salt, shell, and vermiculite. United States petrochemical production is highly concentrated in the Houston-Gulf Coast region which has the majority of the Nation's basic petrochemical manufacturing capacity and a large capacity for first stage derivatives.

The Houston/Galveston area is one of the top-ranking industrial marketing centers in the Southwest. Other phases of the city's wholesale distribution facilities have expanded rapidly in scope of service and variety of inventory.

Oceanography related industries are growing in the Houston SMSA. The majority of the nations offshore operators have offices in the Houston/ Galveston area. There are three major universities, Rice, Houston, and Texas A & M, which are involved in oceanographic research. Major areas in research and development

are the Texas Medical Center and the Johnson Space Center, which controls the space program research, astronaut training program, and the space shuttle program.

The Houston CMSA is a major agribusiness center. Houston lies near the center of the Coastal Prairie, an area including 20 counties with generally flat topography and fertile soil. This area produces the majority of the rice grown in Texas. The Houston/Galveston area is the leading producer of agricultural chemicals, fertilizers, and insecticides. A large percentage of the export tonnage of the Port of Houston is agricultural commodities.

Transportation. The transportation system of the Houston CMSA includes the Port of Houston, the Intracoastal Waterway, air transportation, railroads, freeways, motor freight lines, bus transportation, and oil and gas transmission. The Port of Houston is the third largest seaport in the United States. It is first in terms of total foreign tonnage and is eighth worldwide in total tonnage. The Houston Ship Channel connects the Port and the City of Houston with the Gulf of Mexico. This channel is a 50-mile-long inland waterway. The Port of Galveston is also an important economic factor to the local economy.

The Intracoastal Waterway provides the Houston CMSA with low-cost barge transportation. This 1,777-mile waterway links Houston with 9,812 miles of commercially navigable waterways in the mid-continent regions of the Mississippi River and its tributaries, and with some 2,500 miles of waterways in the Gulf South. Some 8,410 miles of these waterways provide at least 9-foot draft.

Houston is a major air transportation center with numerous lines providing international, domestic, and commuter service. Houston Intercontinental Airport became operational in June of 1969. It is situated on 8,000 acres and located about 16 miles north of the Houston Central Business District between Interstate Highway 45 and U. S. Highway 59.

The Houston/Galveston area is also served by adequate railroad line service which reaches all major points of the city including the major industrial areas and the Port.

The freeway system is designated in Harris/Galveston County by the Texas Highway Commission. It radiates from the Houston Central Business District, and 3 concentric loops. The first loop is an elevated system circling the Central Business District. The second loop, Beltway 8, was recently completed and circles the city at a radius of approximately 12 miles. This loop is a controlled-access tollway in most areas. Future plans include the Grand Parkway, a third loop at a 25-30 mile radius from downtown Houston, encircling the city for 170 miles. The Hardy Toll Road is a 21.6 mile roadway which extends from Loop 610 North to the Harris County line. This thoroughfare is located in the corridor between Interstate Highway 45 and U.S. Highway 59. Additionally, there are various common-carrier truck lines, oilfield equipment haulers, tank truck lines, household carriers, and local delivery trucking firms in the area.

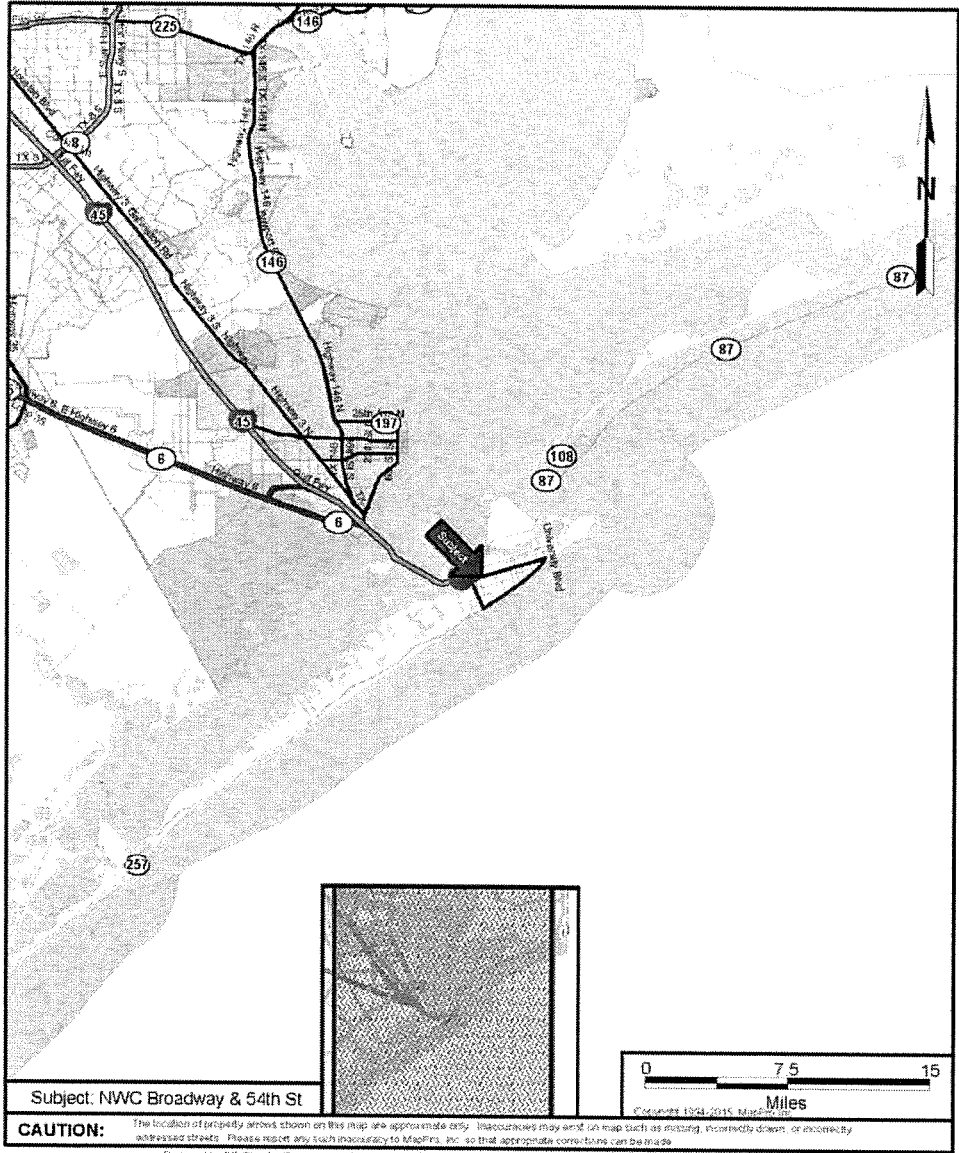
The city-owned Metropolitan Transit Authority provides local transit service with a fleet of buses daily, plus contract buses for Park & Ride Service, operating over a large route system. The Park & Ride system with parking lots designed to ease traffic congestion by offering rapid service for high-volume carriers to the Central Business District. The Houston/Galveston area is one of the nation's most important oil and gas transmission centers. One-half of the nation's major pipeline companies which transport natural gas are found in Houston. Many have their headquarters here and maintain major operating divisions in Houston operating the various natural gas and petrochemical pipelines.

Public Service and Utilities. Electrical power for Houston and the surrounding 560 square mile section of the Central Gulf Coast Area of Texas is served by Reliant Energy Company and Centerpoint Power Company, an investor-owned Texas utility company with its main offices located in Houston. Reliant provides natural gas for the Houston area. Western Union Telegraph

serves the area and telephone service is provided by SBC and Verizon Telephone Company.

Taxes. In the Houston CMSA there are no state, local, personal, or corporate income taxes. The only taxes generally applied to all types of Texas businesses are ad valorem taxes, corporate fees, and annual corporation franchise taxes. Certain businesses pay gross- receipt taxes, occupational taxes, and other taxes depending upon the nature of their operation.

Conclusions. Houston's economy has proven to be diversified enough over the past decline in energy prices in comparison to prior declines. Growth is evident in a variety of business centers. The city has become a major center of applied technology -- the engineering and medical management skills needed to use high technology. Many of Houston's new jobs are white-collar with industrial expansions improving blue-collar employment as well. Overall, the Houston area should remain more stable than the nation as a whole however.



Area Map

NEIGHBORHOOD DATA

A neighborhood is defined in *The Dictionary of Real Estate Appraisal*, by the American Institute of Real Estate Appraisal of the National Association of Realtors as follows:

"A group of complementary land uses."

Neighborhoods may be devoted to such uses as residential, commercial, industrial, agricultural and civic activities or a mixture of these uses. Analysis of the neighborhood in which a particular property is located is important due to the fact that the various economic, social, political, and physical forces which affect that neighborhood also directly affect individual properties within it.

Delineation. The subject neighborhood is located in the incorporated area of Galveston in southern Galveston County. General access to the area is provided by IH-45 South (Gulf Freeway). For the purposes of this report, the neighborhood is defined as being bounded on the north, east and west by Galveston Bay and the Gulf of Mexico to the south.

Major Traffic Carriers. Major roadways in the area include IH-45 South (aka Broadway), 61st Street, 25th Street, Seawall Blvd., and Harborside Drive. The area is crisscrossed with numerous interior collector streets.

Stage of Development. The subject area is mixed use in nature, with single-family and multi-family dwellings, commercial and industrial properties. There are retail/commercial properties along the major roadways. The single-family homes are located in the interior areas. Single-family detached homes have varying values and age ranges, depending on location. There are also apartment complexes in the area, primarily being located on the major streets in the area. The commercial usage ranges from small, freestanding retail and office facilities to neighborhood shopping centers. There are also light industrial properties. There are generally utilities to most points in the sector of the neighborhood.

Galveston is subject to zoning ordinances. Galveston Island was devastated in fall of 2008 by Hurricane Ike and has been in constant recovery since then. Development in both residential and commercial businesses and construction has been increasing steadily with new residential resort construction evident. Overall, the subject property is considered to be in the stable stage of development with certain areas undergoing both revitalization and growth.

Political Jurisdictions. The subject property lies within the city limits of Galveston. The area is provided with police and fire service from the City of Galveston.



Neighborhood Map

SITE DATA

The overall subject property consists of a 3.9342 gross acre or 171,372 square foot overall tract of land located on the corner of Broadway and 54th Street in the city limits of Galveston, Texas. The net usable acres which was used in this analysis is 3.7595 acres or 163,766 square feet and is discussed in the following paragraphs. Per the restricted covenants, the overall property has been divided into three (3) parcels consisting of:

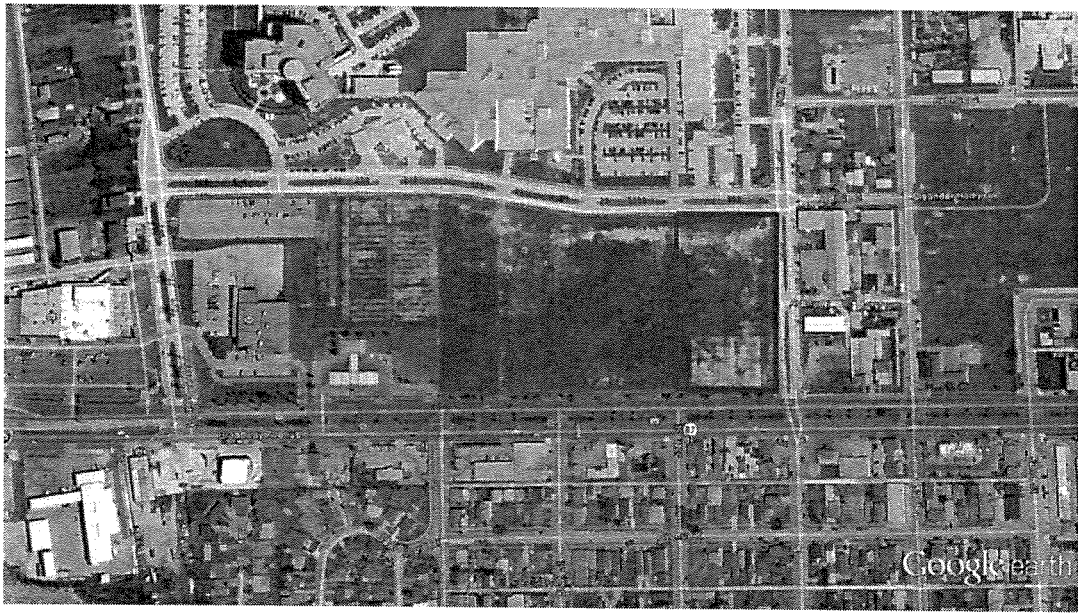
Outparcel 1-	2.0381 acre parcel
Outparcel 2-	1.72145 acre parcel
Access Easement-	0.1746 acre access road parcel

Outparcels 1 and 2 are generally rectangular in shape. The subject property is located in the 100 year flood plain and has access to public utilities. The subject property is reported to be zoned for Light Industrial with Gateway Development Overlay by the City of Galveston.

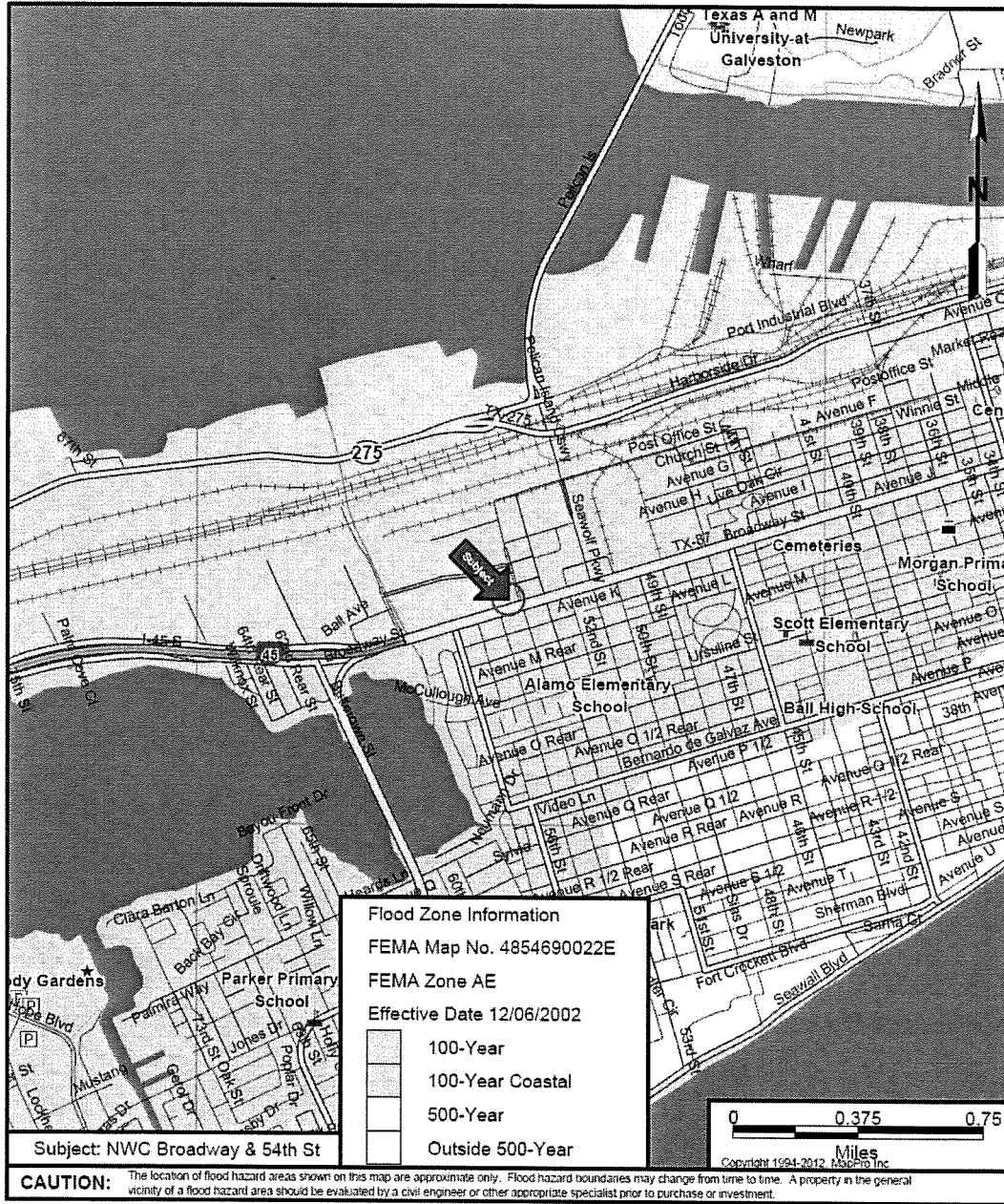
Outparcel 1 is located on the northern end of the primary tract and is on the hard corner of 54th Street and Ball Avenue. It contains 2.0381 acres or 88,778 square feet of area per the survey. This tract is not on Broadway but has reasonable visibility and access from its 256.46 feet of frontage on Ball Street (Avenue H) and 277.11 feet on 54th Street.

Outparcel 2 would be the smaller of the two outparcels and is located on the southwest corner of Broadway and 54th. This tract contains 1.7215 acres of land or 74,988 square feet per the survey provided. It has +-280 feet of frontage on Broadway and 278.48 feet on 54th Street.

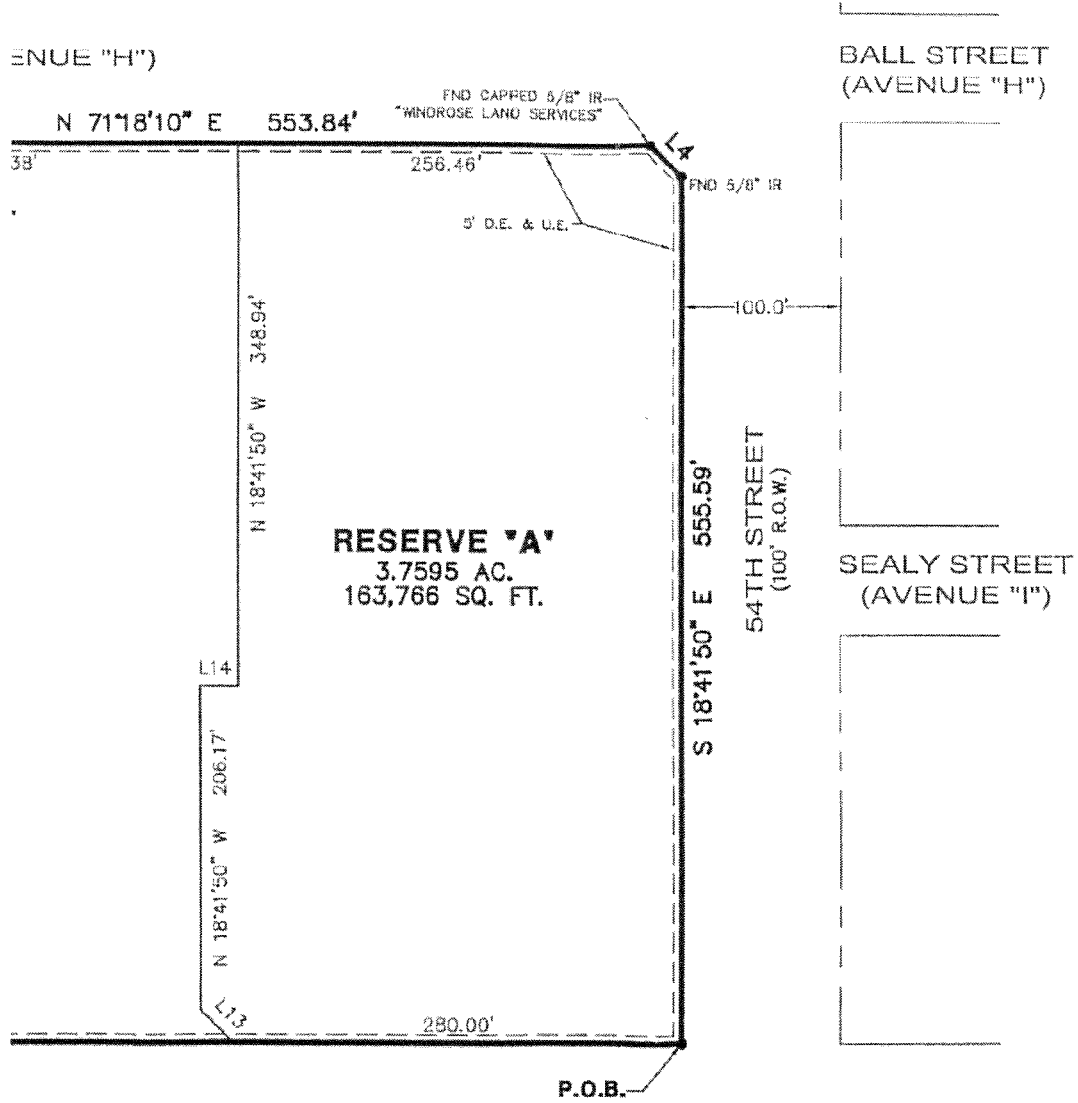
There is also a 0.1746 or 7,607 square foot access road which will serve the adjacent properties with access to 54th Street. The access easement was not considered to have a contributory value and therefore not valued in this analysis.



Aerial Map of Subject

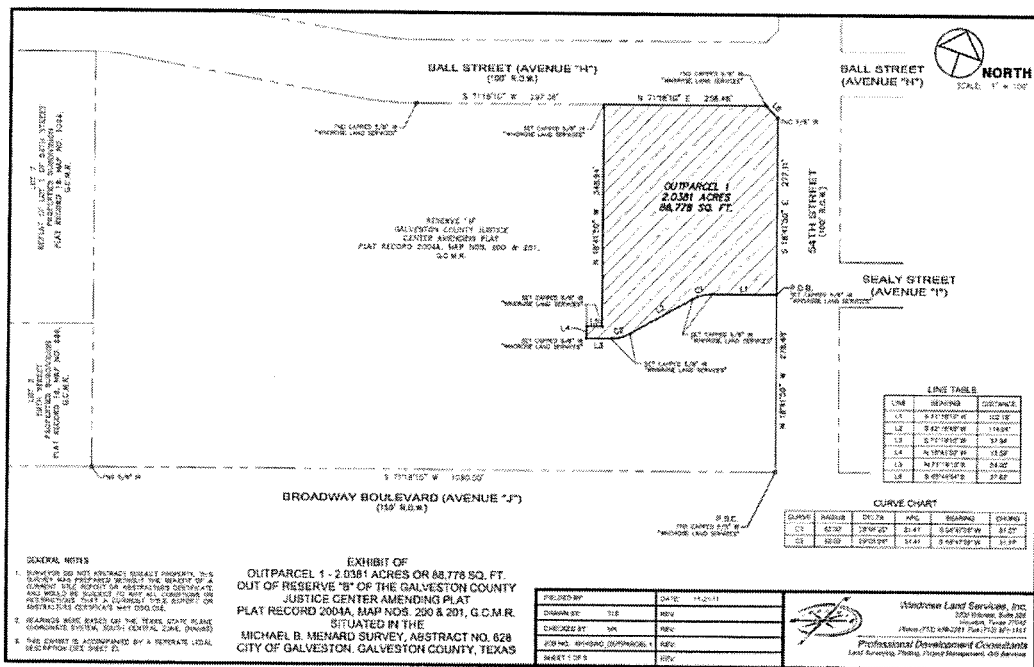


Flood Map

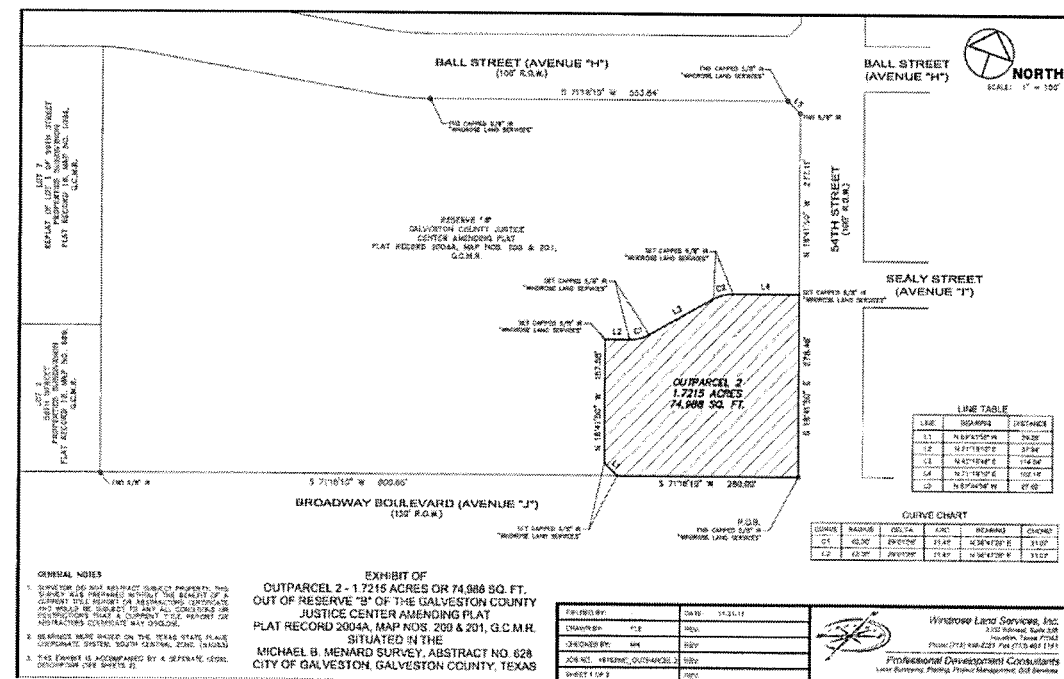


Broadway

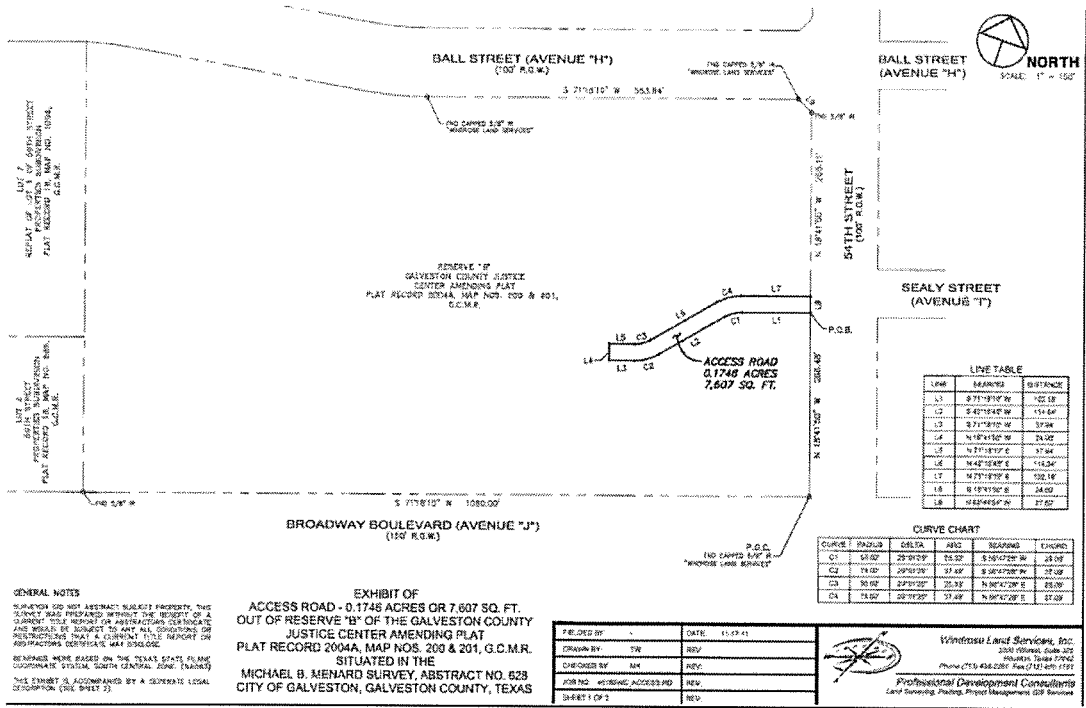
Survey of Parent Tract



Survey of Out-Parcel 1



Survey of Out-Parcel 2



GENERAL NOTES

1. SURVEY IS NOT BEHIND SUBJECT PROPERTY. THIS SURVEY WAS PREPARED WITHOUT THE BENEFIT OF A SURVEY TITLE REPORT OR PRELIMINARY SURVEY AND SHALL BE SUBJECT TO ANY ALL ORDINANCES OR REGULATIONS THAT A CURRENT TITLE REPORT OR RECONSTRUCTION DESIGNS MAY REQUIRE.

2. BEARINGS WERE OBTAINED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL ZONE (NAD83).

3. THIS SURVEY IS ACCOMPANIED BY A SEPARATE LEGAL DESCRIPTION (SEE SHEET 2).

EXHIBIT OF
ACCESS ROAD - 0.1748 ACRES OR 7,607 SQ. FT.
 OUT OF RESERVE "B" OF THE GALVESTON COUNTY
 JUSTICE CENTER AMENDING PLAT
 PLAT RECORD 2004A, MAP NOS. 200 & 201, G.C.M.R.
 SITUATED IN THE
MICHAEL B. MENARD SURVEY, ABSTRACT NO. 628
 CITY OF GALVESTON, GALVESTON COUNTY, TEXAS

LINE TABLE

LINE	BEARING	DISTANCE
L1	S 77°18'12" W	1080.00
L2	S 77°18'12" W	174.87
L3	S 77°18'12" W	17.94
L4	N 18°44'52" W	24.02
L5	N 27°18'12" E	17.94
L6	N 48°18'42" E	174.87
L7	N 77°18'12" E	1080.00
L8	S 18°44'52" E	24.02
L9	N 88°44'52" E	17.94

CURVE CHART

CURVE	PAVING	DELTA	ARC	BEARING	LENGTH
C1	18.00	27°18'12"	17.94	S 77°18'12" W	17.94
C2	18.00	27°18'12"	17.94	S 77°18'12" W	17.94
C3	30.00	27°18'12"	25.91	N 48°18'42" E	25.91
C4	18.00	27°18'12"	17.94	N 77°18'12" E	17.94

PREPARED BY	TR	DATE	01-29-11
DRAWN BY	TR	REV	
CHECKED BY	M4	REV	
JOB NO.	ACCESS-ACCESS-PED	REV	
SHEET	1 OF 2	REV	

Winfrash Land Services, Inc.
 2011 Wilshire Court, Suite 200
 Houston, Texas 77062
 Phone: (713) 438-2285 Fax: (713) 438-1551

Professional Development Consultants
 Land Surveying, Planning, Project Management, GIS Services

Survey of Access Road

FRONT VIEW OF SUBJECT LOOKING FROM BROADWAY- OUTPARCEL 2



**VIEW OF REAR OF SUBJECT TRACT LOOKING
FROM BALL STREET- OUTPARCEL 1**

VIEW OF SUBJECT TRACT FROM 54TH STREET



TYPICAL STREET SCENE ON BALL AVENUE

TYPICAL STREET SCENE ON BROADWAY



**TYPICAL STREET SCENE ON BALL STREET
(SUBJECT ON RIGHT)**

HIGHEST AND BEST USE
"AS VACANT"

In accordance with standard accepted appraisal practice, a property must be appraised in terms of its Highest and Best Use. According to the *Dictionary of Real Estate Appraisal* by the American Institute of Real Estate Appraisers, Highest and Best Use is defined as:

- 1. The reasonable and probable use that supports the highest present value of vacant land or improved property, as defined, as of the date of the appraisal.**
- 2. The reasonably probable and legal use of land or sites as though vacant, found to be physically possible, appropriately supported, financially feasible, and that results in the highest present land value.**
- 3. The most profitable use.**

The procedure used in this report to estimate the Highest and Best Use of the subject property was to consider, in sequence, the subject's probable use, its legal use, its profitable use, and finally, the optimum or Highest and Best Use. Data collected and analyzed for purposes of a Neighborhood Analysis, and particularly the Site Data, was useful in arriving at a final decision. Because the use of land can be limited by the presence of improvements, Highest and Best Use is determined for (a) the land or site as though vacant and available to be put to its Highest and Best Use, and (b) the property as improved.

PROBABLE USE. Relative location, size, terrain, plottage and utility availability are generally considered the most important factors in determining the uses to which land may be developed. The size of a tract is important for determination of probable uses because some small tracts, due to limited size, can reach their optimum use only as part of an assemblage of several tracts. Large tracts, on the other hand, are not as restricted by size and have a much wider range of probable uses. The overall subject property consists of a primary tract of land containing an *overall* total of 3.93415 gross acre/171,372 square feet

of land area. As noted however, the overall parent tract is currently divided by a 0.1746 acre access road and is therefore divided into a front 1.7215 acre outparcel and a rear 2.0381 acre outparcel. For the purposes of this report, the access road was not considered to have any contributory value to the overall property and was not included in this analysis resulting in 3.7595 acres or 163,766 square feet. These outparcels have adequate size and dimensions for construction of most probable types of commercial uses prevalent in the subject's market area. A tract's topography and subsoil conditions are also important considerations in determining its probable uses. If a site's topography or subsoil conditions make utilization restrictive and costly, the site's potential future use is adversely affected. As mentioned previously in the Site and Improvement section of this report, based on our personal inspection, the subject tract is located in a designated flood hazard area. However, this is typical of most tracts situated on Galveston Island. Currently, public utilities are reported available from the City of Galveston in adequate capacity to develop the subject property for most anticipated uses. A need for capacity beyond the available service is not anticipated in the short term.

LEGAL USE. Private (deed) restrictions, zoning regulations, building codes, historic district controls, and environmental regulations can often preclude a possible Highest and Best Use. The subject property is reported to be zoned for Light Industrial with Gateway Development Overlay by the City of Galveston. This district allows a reasonable degree of development uses. The subject property does have deed restrictions in place which restrict certain types of uses and developments. Such prohibited uses include liquor stores, taverns, bars, or any sale of alcoholic beverages, bowling alleys, pool halls, amusement centers, theaters, health club/spas, gas stations/automotive repair shops, pawn shops, child day care, medical or emergency clinic or some types of medical offices, mini or general storage uses, car/truck rental, laundry/dry cleaning plants, hotel/motel, schools, colleges and/or training centers, veterinary hospital or boarding facilities, sexually oriented businesses, skating rink funeral home, mortuary, mobile home/trailer court, junk yard, stockyards, manufacturing

assembling industrial, distilling and smelting.

PROFITABLE USE. From a financial standpoint, any property use which is expected to produce a positive rate of return is regarded as being profitable. Factors that dictate which property uses are sufficiently profitable include those which determine the probable and legal uses, as well as other important factors, such as the shape, frontage, location of the tract, access to the tract, adjacent property uses (in the interest of conformity), and the general neighborhood characteristics. These factors, along with pertinent market (and commerce) information, help determine what return could be expected from alternative property uses. The subject property is located in a neighborhood that provides a good commercial and supporting residential environment with adequate access to services, major thoroughfares and transportation facilities in this area. Further, the neighborhood development trend has established residential and commercial patterns with commercial uses on the major thoroughfares. There presently is new construction and revitalization evident in the general area of Galveston. In our opinion, the most profitable use for this property "As Vacant" is for future commercial development.

SUMMARY. The Highest and Best Use of the subject property "As Vacant" is considered to be for commercial development.

THE COST APPROACH

The Cost Approach is also called the summation approach to estimating value. In this approach, the most probable current cost of reproducing all improvements to a property is estimated. This estimate of cost new is subtracted from accrued depreciation. Physical deterioration and obsolescence account for accrued depreciation, with the most significant component of physical deterioration usually being the limited economic life of structures. After depreciation is subtracted from cost new, the resulting depreciated value is added to site value, as previously developed. Reproduction cost estimates may be developed from comparison to newly constructed local buildings or from available cost estimation services.

Depreciation, physical deterioration, and functional or economic obsolescence, may be curable or incurable. Curable items are those conditions which a prudent purchaser would anticipate correcting upon purchase of a property whereas incurable items maintain sufficient value not to warrant correcting as of the date of appraisal. The Cost Approach to value estimate is valid if the land value estimate is sound, if reproduction costs have been accurately estimated, and if the estimate of depreciation is correct. Estimation of this latter factor is not subject to precise determination and largely depends upon the experience and judgment of the appraiser. The older a property and the more accrued depreciation, the less reliable the Cost Approach is generally believed to be.

THE COST APPROACH WAS NOT USED IN THIS ANALYSIS.

INCOME APPROACH

The Income Stream is analyzed by way of several methods as follows:

1. Obtain actual rent schedules for the property being appraised as well as the comparable properties in the area, then derive the gross rental data as well as projected gross income expectancy.
2. Appraiser obtains and analyzes the actual occupancy data for the subject property and for the comparable properties in the area. Then a projected occupancy rate is estimated for the subject property which is deducted from the gross income to arrive at an adjusted gross income estimate.
3. Appraiser obtains and analyzes expense data such as taxes, insurance, utilities, and other pertinent costs for the property being appraised and other comparable properties in the area. An expense estimate is derived for the property which is deducted from the adjusted gross income to derive a net income estimate.
4. Appraiser selects the appropriate capitalization rate.
5. Using capitalization rate, appraiser derives estimated market value by way of net income.

THE INCOME APPROACH WAS NOT USED IN THIS ANALYSIS

DIRECT SALES COMPARISON APPROACH

The Direct Sales Comparison Approach is the method of estimating Market Value by making direct comparisons of the subject property with similar properties that sold recently under normal sales conditions. Adjustments are often made to sales to enhance comparability, for such factors as date of sale, terms of financing, size, age, condition, construction, appeal and site. This approach applies the principle of substitution in that a prudent purchaser would pay no more for a real property than the cost of acquiring an equally desirable substitute on the open market. Therefore, sales and/or listings of properties with comparable location, characteristics and/or future earning capabilities would influence a prudent purchaser by offering alternative investments. This is the only approach which directly reflects the balance of supply and demand in actual trading in the market place.

Units of comparison employed in the market are used to compare the comparable sales directly to the subject. Assuming reliable sales information to be available, this method is often recommended above all others.

A unit of comparison is the value derived by dividing the sale price of the similar properties by the square foot, room, unit or other unit of comparison, depending upon property type. It also applies to income characteristics of similar properties. The unit of measure was the price per square foot of land area.

COMPARABLE LAND SALES

LAND SALE 1.

LOCATION: Off corner of Broadway and 57th Street,
Galveston, Texas. Known as Reserve "D".

DATE OF SALE: January 6, 2015

GRANTOR: Fichera Builders, Inc.

GRANTEE: Island Church, Inc.

RECORDING: 2015003160

SIZE: 0.574 Acres/25,000 Sq.Ft.

SALE PRICE: \$19.75 PSF

TERMS: Cash to Seller

REMARKS: All utilities available. Interior tract accessed by
50 foot wide access easement from Broadway.
This tract was purchased in conjunction with
Land Sale 2.

LAND SALE 2.

LOCATION: Corner of Ball Street and 57th Street,
Galveston, Texas. Known as Reserve "E".

DATE OF SALE: January 6, 2015

GRANTOR: Galveston Harbour Properties, Inc.

GRANTEE: Island Church, Inc.

RECORDING: 2015003149

SIZE: 2.9702 Acres or 129,382 Sq.Ft.

SALE PRICE: \$9.00 PSF

TERMS: Cash to Seller

REMARKS: All utilities available. Corner tract. 342 FF on
Ball Street and 407 FF on 57th Street. This
tract was purchased in conjunction with Land
Sale 2.

LAND SALE 3.

LOCATION: 5800 Block of Broadway, Galveston, Texas.
DATE OF SALE: July 30, 2012
GRANTOR: Lisa Sunseri
GRANTEE: Global New Millennium
RECORDING: 2012041538
SIZE: 1.03 Acres or 44,954 Sq.Ft.
SALE PRICE: \$584,402 or \$13.00 PSF
TERMS: Cash to Seller
REMARKS: All utilities available. Several old buildings were on the site which were razed for construction of C-Store and Burger King.

LAND SALE 4.

LOCATION: 5028 Broadway, Galveston, Texas.
DATE OF SALE: January 9, 2015
GRANTOR: Broadway Magic, LP
GRANTEE: MZKV Coastal Realty, LLC
RECORDING: 20150011985
SIZE: 0.472 Acres or 20,568 SF
SALE PRICE: \$450,000 or \$21.88 PSF
TERMS: Cash to Seller
REMARKS: All utilities available. 168 FF on Broadway.

LAND SALE 5.

LOCATION: NWC of Broadway & 21st Street, Galveston, Texas.

DATE OF SALE: October 5, 2016

GRANTOR: Big State Car Wash, LLC

GRANTEE: DPZ-GAL, LLC

RECORDING: 2016061822

SIZE: 0.354 Acres or 15,420 SF

SALE PRICE: \$256,500 or \$16.62 PSF

TERMS: Cash to Seller

REMARKS: All utilities available. 128.5 FF on Broadway and 120 FF on 21st Street. Future Domino's Pizza site.

LAND SALE 6.

LOCATION: 5700 Block of Broadway, Galveston, Texas.

DATE OF SALE: October 13, 2011

GRANTOR: Galveston County

GRANTEE: Lowes Home Center, Inc.

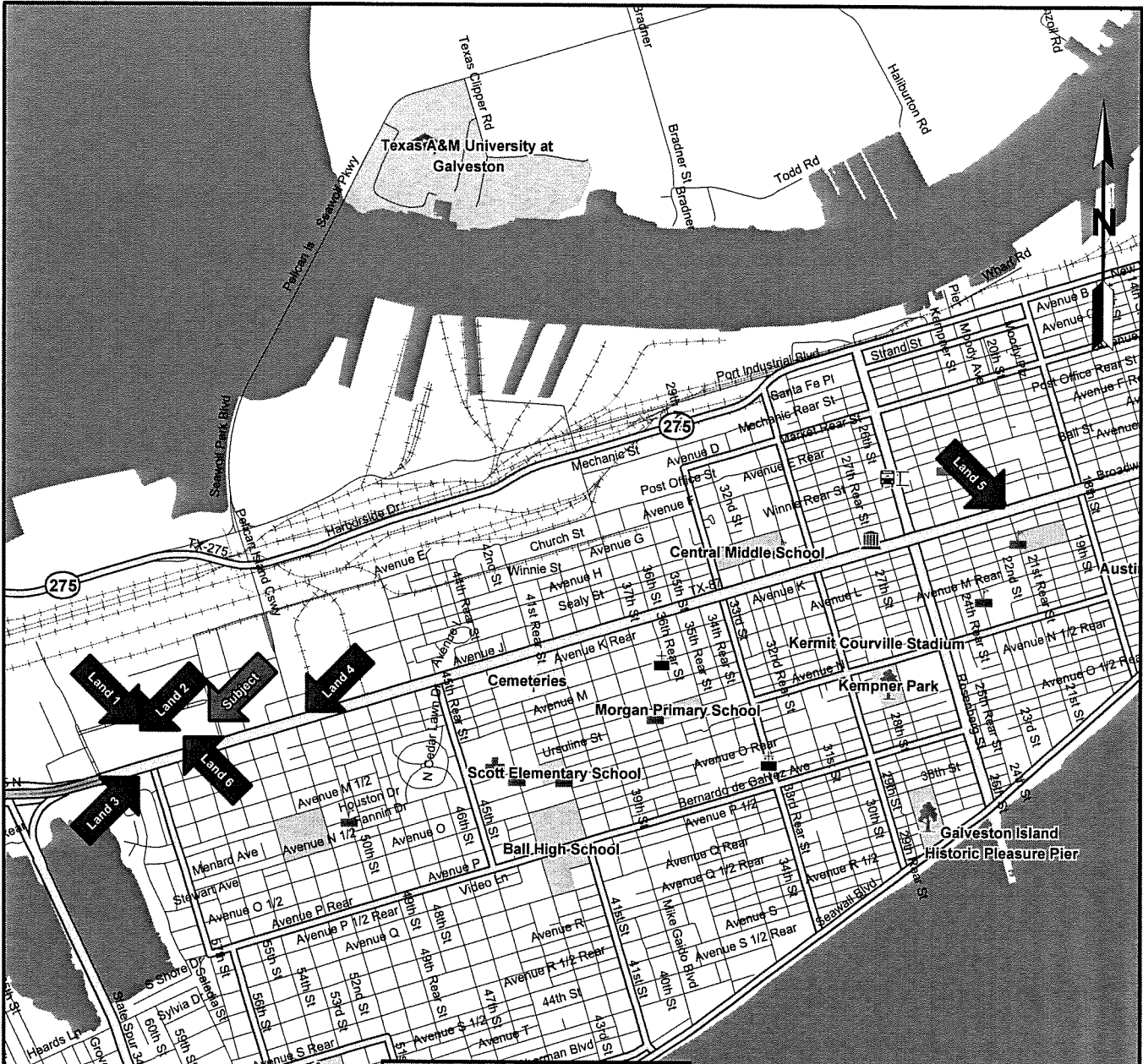
RECORDING: 2011053637

SIZE: 10.164 Acres or 442,742 SF

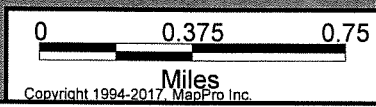
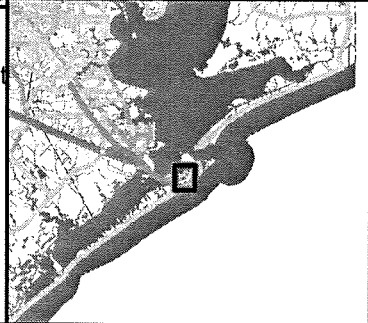
SALE PRICE: \$2,815,839 or \$6.36 PSF

TERMS: Cash to Seller

REMARKS: All utilities available. Located out of the Justice Center development. 730 FF on Broadway with access from Avenue H and easement from 54th Street.



- Subject: NWC Broadway & 54th St
- Land 1: Off corner of Broadway & 57th
- Land 2: Corner of Ball & 57th
- Land 3: 5800 Blk of Broadway
- Land 4: 5028 Broadway St
- Land 5: NWC of Broadway & 21st
- Land 6: 5700 Broadway St



CAUTION: The location of property arrows shown on this map are approximate only. Inaccuracies may exist on map such as missing, incorrectly drawn, or incorrectly addressed streets. Please report any such inaccuracy to MapPro, Inc. so that appropriate corrections can be made.

Prepared by RC Chuoke @ Associates, Inc using MapPro Service. MapPro Inc., PO Box 37427, Houston, TX 77237 1-866-3MAPPRO.

DISCUSSION ON LAND VALUE

The subject's competing market place was researched and those available land sales and listings in the subject's market area in order to compare against the subject property. The land sales used were all considered commercial properties which were located on generally similar locations when compared to the subject tracts. Outparcel 1 and 2 represent tracts of land which have different locational qualities, we have analyzed each parcel separately using a differing set of comparable land sales. These land sales had a wide range of unit values even within each category. In this analysis, land sales 1, 2 and 6 were compared with Outparcel 1. Land sales 3 thru 6 were compared to Outparcel 2. The following discussion on the adjustments to the land sales follow for each of the Outparcels.

Outparcel 1. Outparcel 1 is located on the corner of 54th Street and Ball Avenue. It contains 2.0381 Acres or 88,778 square feet of area per the survey. This tract has reasonable visibility and access from its 256.46 feet of frontage on Ball Street (Avenue H) and 277.11 feet on 54th Street. Before any adjustments, the land sales had a unit values between \$6.36 PSF to \$9.00 PSF, depending on various aspects such as location, site size/shape, access, etc. The most comparable sales in terms of proximity to the subject property were Sale 1 and 2 which were located just northwest of the subject property off of Ball Street at 57th Street. Sale 1 was an interior tract, accessed via an easement and was given a positive adjustment for inferior access when compared to the subject's corner location. Sale 1 was also given a negative adjustment for having a smaller size when compared to the subject property. Sale 3 was given a positive adjustment for a larger site size and a negative adjustment for having a superior location on both Broadway and Ball Street when compared to the subject. After adjustments, the unit value range of the land sales for Outparcel 1 was between \$6.36 PSF to \$9.45 PSF with a value indicator of \$9.00 PSF.

Outparcel 2. This outparcel is located on the corner of Broadway and 54th Street. This tract contains 1.7215 gross acres of land or 74,988 square feet per the survey provided. It has +-280 feet of frontage on Broadway and 278.48 feet on 54th

Street. Sale 4 is adjacent to the subject property and consists of a 10.164 acre tract sold to Lowes Home Center. The remainder of the land sales were located on Broadway but were smaller in size than the subject. Sales 3, 4, and 5 were all given a negative size adjustment for having smaller tract sizes when compared to the subject tract. Sales 2 and 3 were given positive location adjustments when compared to the subject property. All of the sales were given positive corner/access adjustments when compared to the subject property. After adjustments, the unit value range of the land sales for Outparcel 2 was between \$9.79 PSF to \$26.42 PSF with a value indicator of \$15.00 PSF.

As part of the analysis we did not attribute any contributory value to the access easement between Outparcels 1 and 2. In conclusion, the estimated market values for the two (2) subject tracts are as follows:

OUTPARCEL 1 - 2.0381 Acres/88,778 SF X \$9.00 PSF =	\$710,224
<u>OUTPARCEL 2 - 1.7215 Acres/74,988 SF X \$15.00 PSF =</u>	<u>\$1,124,820</u>
TOTAL	\$1,835,000-Rounded

This equates to an averaged value of \$11.21 per square foot for the overall net usable tract.

**ADJUSTMENT GRID - LAND
(Outparcel 1)**

Sale #	1	2	6	Subject
Address	Off Broadway & 57th	Corner of Ball & 57th Street	5700 Bk of Broadway Oct-11	Outparcel 1 (Rear)
Date of Sale	Jun-15	Jan-15		
Size (SF)	25,000	129,382	442,742	88,778
Sale Price	\$225,000	\$1,164,447	\$2,815,840	
(Acre)	\$174,419	\$1,207,933	\$3,103,777	
(\$/SF)	\$9.00	\$9.00	\$6.36	
Financing	0%	0%	0%	
Condition of Sale	0%	0%	0%	
Adj. Cash Sale Price	\$9.00	\$9.00	\$0	
Time	0%	0%	0%	
Adj. Sale Price	\$9.00	\$9.00	\$6.36	
Size	-10%	5%	10%	
Location	0%	0%	-10%	
Shape/utility	0%	0%	0%	
Utilities	0%	0%	0%	
Floodplain	0%	0%	0%	
Corner/Access	10%	0%	0%	
Net Adjmts.	0	5%	0%	
Gross Adjmts.	0%	5%	0%	
Adjusted Sale Price Per Sq.Ft.	\$9.00	\$9.45	\$6.36	
Mean:			\$8.27	
Indicated Market Value:			\$9.00 psf	

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**ADJUSTMENT GRID - LAND
(Outparcel 2)**

Sale #	3	4	5	6	Subject
Address	5800 Blk of Broadway	5028 Broadway	NWC of Broadway & 21st St	5700 Blk of Broadway	Broadway & 54th St (Front)
Date of Sale	Jul-12	Jan-15	Oct-16	Oct-11	
Size Acre	1.290	0.907	0.354	0.907	1.721
Size (SF)	44,954	20,568	15,420	442,742	74,988
Sale Price	\$584,402	\$450,000	\$256,500	\$2,815,840	
(Acre)	\$453,025	\$496,015	\$724,576	\$3,103,777	
(\$/SF)	\$13.00	\$21.88	\$16.63	\$6.36	
Financing	0%	0%	0%	0%	
Condition of Sale	0%	0%	0%	0%	
Adj. Cash Sale Price	\$13.00	\$21.88	\$16.63	\$6.36	
Time	5%	5%	0%	10%	
Time Adj. Sale Price	\$13.65	\$22.97	\$16.63	\$7.00	
Size	-5%	-10%	-15%	20%	
Location	0%	15%	15%	0%	
Shape/utility	0%	0%	0%	10%	
Utilities	0%	0%	0%	0%	
Floodplain	0%	0%	0%	0%	
Corner/Access	10%	10%	0%	10%	
Net Adjmts.	5%	15%	0%	40%	
Gross Adjmts.	20%	40%	30%	50%	
Adjusted Sale Price Per Sq.Ft.	\$14.33	\$26.42	\$16.63	\$9.79	
Mean: Indicated Market Value:				\$16.79	
				\$15.00 psf	

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RECONCILIATION OF APPROACHES

As discussed in the Appraisal Process section of this report, there are three traditional approaches to value. The Replacement Cost Approach and Income Approach were not used in this analysis since the subject property was unimproved. Only the Direct Sales Comparison Approach was used to value the subject tracts since they involve only unimproved land.

The strength of the Direct Sales Approach is that it attempts to directly measure the actions of the buyers and sellers in the marketplace. Its weakness is that no two properties are alike and the process of making adjustments is a sometimes difficult and inexact process. In order to utilize the Direct Sales Comparison Approach, land sales in the general subject neighborhood of Galveston analyzed. This market data (land sales) was adjusted for size, location, date of sale, corner influence, utility, and size. Additionally, those sales which were considered to be the most comparable to the subject property were identified and compared, one-on-one, to the subject.

In conclusion, the estimated market values of the subject tracts as of February 25, 2017 (Date of Last Inspection) via the Direct Sales Comparison Approach is as follows:

OUTPARCEL 1 -	\$710,224
OUTPARCEL 2 -	<u>\$1,124,820</u>
TOTAL	\$1,835,000-Rounded

APPRAISER'S CERTIFICATION

We certify that, to the best of our knowledge and belief:

That the statements of fact contained in this report are true and correct.

The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.

We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved.

We have no bias with respect to the property that is the subject of this report or the parties involved with this assignment.

Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

Our compensation for completing this assignment was not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result or the occurrence of a subsequent event directly related to the intended use of this appraisal.

The reported analyses, opinions and conclusions were developed and this report has been prepared, in conformity with the requirements of Uniform Standards of Professional Practice ("USPAP").

No other persons provided significant real property appraisal assistance to the persons signing this certification.

The appraiser(s) have made a personal inspection of the property that is the subject of this report.

We have previously appraised the subject property for the same client, Galveston County, on January 21, 2012 and April 8, 2015.



Chris Chuoke, President
STATE CERTIFIED GENERAL
REAL ESTATE APPRAISER, TX-1321347-G

ADDENDA

LEGAL DESCRIPTION



Windrose Land Services, Inc
3200 Wilcrest, Suite 325
Houston, Texas 77042
Phone (713) 458-2281 Fax (713) 461-1151

Professional Development Consultants
Land Surveying • Platting • Project Management • GIS Services

OUTPARCEL 1
DESCRIPTION OF
2.0381 ACRES OR 88,778 SQ. FT.

A TRACT OR PARCEL CONTAINING 2.0381 ACRES OR 88,778 SQUARE FEET OF LAND SITUATED IN THE MICHAEL B. MENARD SURVEY, ABSTRACT NO. 628, GALVESTON COUNTY, TEXAS, BEING OUT OF RESERVE "B" OF THE GALVESTON COUNTY JUSTICE CENTER AMENDING PLAT AS RECORDED UNDER PLAT RECORD 2004A, MAP NOS. 200 AND 201 OF THE GALVESTON COUNTY MAP RECORDS, WITH SAID 2.0381 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD 83):

COMMENCING AT A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" FOUND AT THE INTERSECTION OF THE NORTHERLY RIGHT-OF-WAY LINE OF BROADWAY BOULEVARD (AVENUE "J" - 150' WIDTH) AND THE WESTERLY RIGHT-OF-WAY LINE OF 54TH STREET (100' WIDTH);

THENCE NORTH 18° 41' 50" WEST ALONG SAID WESTERLY RIGHT-OF-WAY LINE OF 54TH STREET, A DISTANCE OF 278.48 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING THE POINT OF BEGINNING AND SOUTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE SOUTH 71° 18' 10" WEST, A DISTANCE OF 102.18 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING THE POINT OF CURVATURE;

THENCE WITH A CURVE TO THE LEFT, HAVING A RADIUS OF 62.00 FEET, A CENTRAL ANGLE OF 29° 01' 25", AN ARC LENGTH OF 31.41 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 56° 47' 28" WEST - 31.07 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING THE POINT OF TANGENCY;

THENCE SOUTH 42° 16' 45" WEST, A DISTANCE OF 114.04 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING A POINT OF CURVATURE;

THENCE WITH A CURVE TO THE RIGHT, HAVING A RADIUS OF 62.00 FEET, A CENTRAL ANGLE OF 29° 01' 25", AN ARC LENGTH OF 31.41 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 56° 47' 28" WEST - 31.07 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING A POINT OF TANGENCY;

THENCE SOUTH 71° 18' 10" WEST, A DISTANCE OF 37.94 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING THE SOUTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE NORTH 18° 41' 50" WEST, A DISTANCE OF 18.58 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING A CORNER;


THENCE NORTH 71° 18' 10" EAST, A DISTANCE OF 24.00 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING A INTERIOR CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE NORTH 18° 41' 50" WEST, A DISTANCE OF 348.94 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET ON THE SOUTHERLY RIGHT-OF-WAY LINE OF BALL STREET (AVENUE "H" - 100' WIDTH), FOR THE NORTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE NORTH 71° 18' 10" EAST ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF BALL STREET, A DISTANCE OF 256.46 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" FOUND MARKING THE NORTHWESTERLY CUT BACK CORNER AT THE INTERSECTION OF SAID SOUTHERLY RIGHT-OF-WAY LINE OF BALL STREET AND SAID WESTERLY RIGHT-OF-WAY LINE OF 54TH STREET, FOR A NORTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE SOUTH 63° 44' 54" EAST ALONG SAID CUT BACK, A DISTANCE OF 27.62 FEET TO A 5/8" IRON ROD FOUND MARKING THE SOUTHEASTERLY CORNER OF SAID CUT BACK;

THENCE SOUTH 18° 41' 50" EAST ALONG SAID WESTERLY RIGHT-OF-WAY LINE OF 54TH STREET, A DISTANCE OF 271.11 FEET TO THE PLACE OF BEGINNING AND CONTAINING 2.0381 ACRES OR 88,778 SQUARE FEET OF LAND, AS SHOWN ON EXHIBIT DRAWING, JOB NO. 46163WC_OUTPARCEL 1, PREPARED BY WINDROSE LAND SERVICES INC.


MIKE KURKOWSKI
R.P.L.S. NO. 5101
STATE OF TEXAS



DATE: 11-21-11



Windrose Land Services, Inc
 3200 Wilcrest, Suite 325
 Houston, Texas 77042
 Phone (713) 458-2281 Fax (713) 461-1151

Professional Development Consultants
 Land Surveying • Platting • Project Management • GIS Services

OUTPARCEL 2
DESCRIPTION OF
1.7215 ACRES OR 74,988 SQ. FT.

A TRACT OR PARCEL CONTAINING 1.7215 ACRES OR 74,988 SQUARE FEET OF LAND SITUATED IN THE MICHAEL B. MENARD SURVEY, ABSTRACT NO. 628, GALVESTON COUNTY, TEXAS, BEING OUT OF RESERVE "B" OF THE GALVESTON COUNTY JUSTICE CENTER AMENDING PLAT AS RECORDED UNDER PLAT RECORD 2004A, MAP NOS. 200 AND 201 OF THE GALVESTON COUNTY MAP RECORDS, WITH SAID 1.7215 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD 83):

BEGINNING AT A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" FOUND AT THE INTERSECTION OF THE NORTHERLY RIGHT-OF-WAY LINE OF BROADWAY BOULEVARD (AVENUE "J" - 150' WIDTH) AND THE WESTERLY RIGHT-OF-WAY LINE OF 54TH STREET (100' WIDTH), FOR THE SOUTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE SOUTH 71° 18' 10" WEST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE OF BROADWAY BOULEVARD. A DISTANCE OF 280.00 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING THE SOUTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE NORTH 63° 41' 50" WEST, A DISTANCE OF 28.28 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING AN ANGLE POINT;

THENCE NORTH 18° 41' 50" WEST, A DISTANCE OF 187.58 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING THE NORTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE NORTH 71° 18' 10" EAST, A DISTANCE OF 37.94 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING A POINT OF CURVATURE;


THENCE WITH A CURVE TO THE LEFT, HAVING A RADIUS OF 62.00 FEET, A CENTRAL ANGLE OF 29° 01' 25", AN ARC LENGTH OF 31.41 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 56° 47' 28" EAST - 31.07 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING A POINT OF TANGENCY;

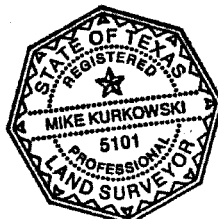
THENCE NORTH 42° 16' 45" EAST, A DISTANCE OF 114.04 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING A POINT OF CURVATURE;

THENCE WITH A CURVE TO THE RIGHT, HAVING A RADIUS OF 62.00 FEET, A CENTRAL ANGLE OF 29° 01' 25", AN ARC LENGTH OF 31.41 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 56° 47' 28" EAST - 31.07 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING A POINT OF TANGENCY;

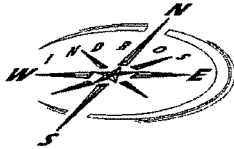
THENCE NORTH 71° 18' 10" EAST, A DISTANCE OF 102.18 FEET TO A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" SET MARKING A POINT ON SAID WESTERLY RIGHT-OF-WAY LINE OF 54TH STREET, FOR THE NORTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE SOUTH 18° 41' 50" EAST ALONG SAID WESTERLY RIGHT-OF-WAY LINE OF 54TH STREET, A DISTANCE OF 278.48 FEET TO THE PLACE OF BEGINNING AND CONTAINING 1.7215 ACRES OR 74,988 SQUARE FEET OF LAND, AS SHOWN ON EXHIBIT DRAWING, JOB NO. 46163WC_OUTPARCEL 2, PREPARED BY WINDROSE LAND SERVICES INC.


 MIKE KURKOWSKI
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Professional Development Consultants
Land Surveying • Platting • Project Management • GIS Services

**ACCESS ROAD
DESCRIPTION OF
0.1746 ACRES OR 7,607 SQ. FT.**

A TRACT OR PARCEL CONTAINING 0.1746 ACRES OR 7,607 SQUARE FEET OF LAND SITUATED IN THE MICHAEL B. MENARD SURVEY, ABSTRACT NO. 628, GALVESTON COUNTY, TEXAS, BEING OUT OF RESERVE "B" OF THE GALVESTON COUNTY JUSTICE CENTER AMENDING PLAT AS RECORDED UNDER PLAT RECORD 2004A, MAP NOS. 200 AND 201 OF THE GALVESTON COUNTY MAP RECORDS, WITH SAID 0.1746 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS, WITH ALL BEARINGS BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD 83):

COMMENCING AT A CAPPED 5/8" IRON ROD STAMPED "WINDROSE LAND SERVICES" FOUND AT THE INTERSECTION OF THE NORTHERLY RIGHT-OF-WAY LINE OF BROADWAY BOULEVARD (AVENUE "J" - 150' WIDTH) AND THE WESTERLY RIGHT-OF-WAY LINE OF 54TH STREET (100' WIDTH);

THENCE NORTH 18° 41' 50" WEST ALONG SAID WESTERLY RIGHT-OF-WAY LINE OF 54TH STREET, A DISTANCE OF 266.48 FEET TO THE POINT OF BEGINNING AND SOUTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE SOUTH 71° 18' 10" WEST, A DISTANCE OF 102.18 FEET TO A POINT OF CURVATURE;

THENCE WITH A CURVE TO THE LEFT, HAVING A RADIUS OF 50.00 FEET, A CENTRAL ANGLE OF 29° 01' 25", AN ARC LENGTH OF 25.33 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 56° 47' 28" WEST - 25.06 FEET TO A POINT OF TANGENCY;

THENCE SOUTH 42° 16' 45" WEST, A DISTANCE OF 114.04 FEET TO A POINT OF CURVATURE;

THENCE WITH A CURVE TO THE RIGHT, HAVING A RADIUS OF 74.00 FEET, A CENTRAL ANGLE OF 29° 01' 25", AN ARC LENGTH OF 37.49 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 56° 47' 28" WEST - 37.09 FEET TO A POINT OF TANGENCY;

THENCE SOUTH 71° 18' 10" WEST, A DISTANCE OF 37.94 FEET TO A POINT FOR THE SOUTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE NORTH 18° 41' 50" WEST, A DISTANCE OF 24.00 FEET TO A POINT FOR THE NORTHWESTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE NORTH 71° 18' 10" EAST, A DISTANCE OF 37.94 FEET TO A POINT OF CURVATURE;

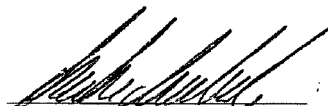
THENCE WITH A CURVE TO THE LEFT, HAVING A RADIUS OF 50.00 FEET, A CENTRAL ANGLE OF 29° 01' 25", AN ARC LENGTH OF 25.33 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 56° 47' 28" EAST - 25.06 FEET TO A POINT OF TANGENCY;

THENCE NORTH 42° 16' 45" EAST, A DISTANCE OF 114.04 FEET TO A POINT OF CURVATURE;

THENCE WITH A CURVE TO THE RIGHT, HAVING A RADIUS OF 74.00 FEET, A CENTRAL ANGLE OF 29° 01' 25", AN ARC LENGTH OF 37.49 FEET AND A CHORD BEARING AND DISTANCE OF NORTH 56° 47' 28" EAST - 37.09 FEET TO A POINT OF TANGENCY;

THENCE NORTH 71° 18' 10" EAST, A DISTANCE OF 102.18 FEET TO A POINT ON SAID WESTERLY RIGHT-OF-WAY LINE OF 54TH STREET, FOR THE NORTHEASTERLY CORNER OF THE HEREIN DESCRIBED TRACT;

THENCE SOUTH 18° 41' 50" EAST ALONG SAID WESTERLY RIGHT-OF-WAY LINE OF 54TH STREET, A DISTANCE OF 24.00 FEET TO THE PLACE OF BEGINNING AND CONTAINING 0.1746 ACRES OR 7,607 SQUARE FEET OF LAND, AS SHOWN ON EXHIBIT DRAWING, JOB NO. 46163WC_ACCESS RD, PREPARED BY WINDROSE LAND SERVICES INC.


MIKE KURKOWSKI
R.P.L.S. NO. 5101
STATE OF TEXAS



11-21-2011
DATE:

QUALIFICATIONS OF APPRAISER

CHRIS CHUOKE

Chris Chuoke has been engaged in the real estate appraisal profession since 1978, he is currently president of R.C. Chuoke & Associates, Inc. The scope of work has included real estate appraisals, real estate sales, and development. Experience in real estate appraisals include light industrial properties, general commercial properties such as retail, office buildings, including convenience stores with gas sales, hotels, car washes, day care facilities, dry cleaners, multi-tenant shopping centers, office condominiums and special purpose properties including churches and marinas as well as single family houses, duplexes, and condominium/ townhouse units and apartments. Additionally there is experience in right of way appraisals and condemnation and has been approved as an expert witness in both Harris and Galveston Counties. As part of these appraisals, we have also included going-concern values where requested. Listed below are some of the clients served:

CORPORATE

Pollo Loco Restaurants
Exxon/Mobil Land Management
Exxon Pipeline Company
South Shore Harbour Development
Rockwell Space Operations, Inc.
CAE-Link Corporation
Nisseki Chemical

BANKS

Moody National Bank
Community Bank
BBVA/Compass Bank
Pearland State Bank
Heritage Bank
First Bank
Texan Bank
Lone Star Bank
Prosperity Bank
Texas First Bank
Hometown Bank
JSC Credit Union
Texas Citizens Bank
First Bank
Shell Federal Credit Union
Dow Credit Union

RELOCATION

Summit Relocation
Cendant Relocation
Prudential Relocation
Summit Relocation

GOVERNMENTAL

City of La Porte
Galveston County
City of Kemah
City of League City
City of Webster
City of Nassau Bay
SBA
City of El Lago
University of Houston-C. L.

MORTGAGE COMPANIES

Hometruster Mortgage
Federal Home Loan Mortgage
Texas First Bank Mortgage
SWBC Mortgage Corp.

EDUCATION

Bachelor of Business Administration, 1977, University of Houston at Clear Lake

PROFESSIONAL AFFILIATIONS

Texas Real Estate Brokers License, 1977, #216958

Certified Texas Real Estate Appraisers # TX- 1321347-G

Texas Associations of Realtors

National Association of Realtors

Gulf Coast Board of Realtors

APPRAISAL REPORT

ON

A TOTAL OF +-3.7595 NET ACRES OF LAND
LOCATED ON THE NORTHWEST CORNER OF BROADWAY AND 54TH
STREET, CITY OF GALVESTON
GALVESTON COUNTY, TEXAS'



FOR

THE COUNTY OF GALVESTON
722 MOODY
GALVESTON, TEXAS 77550

DATE OF REPORT – APRIL 8, 2017
EFFECTIVE DATE OF APPRAISAL – FEBRUARY 25, 2017
DATE OF INSPECTION- FEBRUARY 25, 2017

BY

R. C. CHUOKE & ASSOCIATES, INC.
P.O. BOX 1447
LEAGUE CITY, TEXAS 77574

R.C. Chuoke & Associates, Inc.

Appraisers & Consultants

P.O. Box 1447
League City, Texas 77574

Office- 281-338-9633
Fax- 281-338-9533

April 8, 2017

The County of Galveston
722 Moody
Galveston, Texas 77550

RE: Appraisal report regarding the Market Value of a total of +-3.7595 net acres of land located on the northwest corner of Broadway and 54th Street, City of Galveston, Galveston County, Texas.

Dear Sirs:

In accordance with your request, I have inspected the following described property for the purpose of estimating its current **Market Value as of the effective date of the appraisal in fee simple estate.**

BRIEF LEGAL DESCRIPTION OF PROPERTY

Outparcel 1- 2.0381 acres out of Reserve “B” of the Galveston County Justice Center Amending Plat, M. B. Menard Survey, Abst. 628, Galveston County, Texas

Outparcel 2- 1.7215 acres out of Reserve “B” of the Galveston County Justice Center Amending Plat, M. B. Menard Survey, Abst. 628, Galveston County, Texas

Access Road- 0.1746 acres out of Reserve “B” of the Galveston County Justice Center Amending Plat, M. B. Menard Survey, Abst. 628, Galveston County, Texas (See surveys and legal descriptions located in the addenda to the report).

I hereby certify that I have inspected the property described by way of a personal inspection and that all data gathered by my investigation is from sources believed reliable and true. At our client's request, the results of our investigation and analyses are being presented via an **Appraisal Report Format** as permitted by Standard 2-2(a). It has been our intention to conduct our appraisal and prepare

Galveston County

this report in compliance with the Uniform Standards of Professional Practice ("USPAP") and the Appraisal Standards Board of the Appraisal Foundation. Since the subject property is a vacant tract of land the Cost Approach and Income Approaches were not used in this analysis.

This appraisal assignment is not based on any request for a minimum or specific valuation or the approval of any loan.

Competency Statement: The appraiser(s) is considered to meet the competency provision of the USPAP.

Intended Purposes/User: This appraisal report is intended to be used for estimating the market value of the subject property by the client for internal use. This appraisal is intended to be used **only** by the client/addressee for internal uses and is not intended to be used or relied upon by any other third party. The client and intended user is Galveston County only. Any other use or reliance of this report by an unauthorized third party is prohibited unless otherwise specified.

The estimated Market Value of the subject parcels as of February 25, 2017 (effective date of appraisal) is as follows:

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'C. Chuoke', written over a horizontal line.

Chris Chuoke, President
R.C. CHUOKE & ASSOCIATES, INC.

BID FORM
BROADWAY & 54TH STREET PROPERTY
COUNTY OF GALVESTON, TEXAS

By signing here, the firm does hereby attest that it has fully read the instructions, conditions and general and special provisions and understands them.

EXCEPTIONS (if no exceptions are taken, state NONE):

THE COMPANY OF: _____

ADDRESS: _____

FEIN (TAX ID): _____

The following shall be returned with your bid. Failure to do so may be ample cause for rejection of bid as non-responsive. It is the responsibility of the Bidder to ensure that bidder has received all addenda.

Items:	Confirmed (X):
1. References (if required)	_____
2. Addenda, if any	#1_____ #2_____ #3_____ #4_____
3. One (1) original and three (3) copies of submittal	_____
4. Bid Form	_____
5. Vendor Qualification Packet	_____
6. Debarment Certification Form	_____
7. Non-Collusion Affidavit	_____
8. Bid Cost Form	_____

Person to contact regarding this bid: _____

Title: _____ Phone: _____ Fax: _____

E-mail address: _____

Name of person authorized to bid the Firm: _____

Signature: _____ Date: _____

Title: _____ Phone: _____ Fax: _____

E-mail address: _____

BID FORM
BROADWAY & 54TH STREET PROPERTY
GALVESTON COUNTY, TEXAS

Bidder shall use this form to provide the information for notice.

1. Contact information for notice:

Name: _____
Address: _____

Telephone Number: _____ Facsimile number: _____

2. If a copy of notice is requested, please complete below:

Name: _____
Address: _____

Telephone Number: _____ Facsimile number: _____

3. If second or more copies are requested for notice, please supplement this form and clearly mark the supplement as "Supplementary Notice Information."

Bidder to submit reference information. Bidder shall use this form to provide minimum required reference information. If Bidder wishes to provide more than the minimum, Bidder should supplement this form and should clearly mark the supplement as "Supplementary Reference Information."

1. References who can attest to the Bidder's capability to carry out the requirements set forth in this bid:

Business Name of Organization: _____
Name of Person: _____
Title of Individual within Organization, if applicable _____
Business address: _____

Telephone number: _____ Facsimile number: _____

Business Name of Organization: _____
Name of Person: _____
Title of Individual within Organization, if applicable _____
Business address: _____

Telephone number: _____ Facsimile number: _____

Business Name of Organization: _____
Name of Person: _____
Title of Individual within Organization, if applicable _____
Business address: _____

Telephone number: _____ Facsimile number: _____

BID FORM
BROADWAY & 54TH STREET PROPERTY
GALVESTON COUNTY, TEXAS

References of major supplier of Bidder who can speak to the financial capability of the Bidder to carry out the requirements set forth in this bid:

1. Business Name of Supplier _____
Name of Person: _____
Title of Individual within business: _____
Business address: _____

Telephone number: _____ Facsimile number: _____

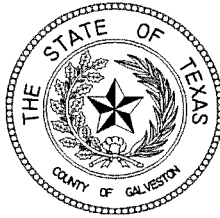
2. Business Name of Supplier _____
Name of Person: _____
Title of Individual within business: _____
Business address: _____

Telephone number: _____ Facsimile number: _____

3. Business Name of Supplier _____
Name of Person: _____
Title of Individual within business: _____
Business address: _____

Telephone number: _____ Facsimile number: _____

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County of Galveston

ACKNOWLEDGMENT AND CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER INELGIBILITY

Executive Orders 12549 & 12689 Certification, Debarment and Suspension

Solicitation Number: BID #B171005

Solicitation Title: BROADWAY & 54TH STREET PROPERTY

Contractor hereby CERTIFIES that:

Contractor, and all of its principals, is not presently debarred, suspended, proposed for debarment, proposed for suspension, or declared ineligible under Executive Order 12549 or Executive Order 12689, Debarment and Suspension, and is not in any other way ineligible for participation in Federal or State assistance programs;

Contractor, and all of its principals, were not and have not been debarred, suspended, proposed for debarment, proposed for suspension, or declared ineligible under Executive Order 12549 or Executive Order 12689, Debarment and Suspension, and were not and have not been in any other way ineligible for participation in Federal or State assistance programs at the time its' proposal was submitted in the procurement identified herein and at any time since submission of its' proposal;

Contractor has included, and shall continue to include, this certification in all contracts between itself and any sub-contractors in connection with services performed under this contract; **and**

Contractor shall notify Galveston County in writing immediately, through written notification to the Galveston County Purchasing Agent, if Contractor is not in compliance with Executive Order 12549 or 12689 during the term of its contract with Galveston County.

Contractor **Represents** and **Warrants** that the individual executing this Acknowledgment and Certification on its behalf has the full power and authority to do so and can legally bind the Contractor hereto.

Name of Business

Date

By: _____
Signature

Printed Name & Title

State of Texas §
County of Galveston §

NON-COLLUSION AFFIDAVIT

Before me, the undersigned notary, on this day personally appeared _____ (Affiant), whom being first duly sworn, deposes and certifies that:

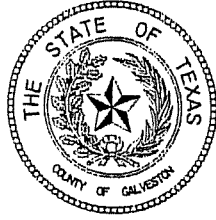
- Affiant is the _____ of _____, that
(Individual, Partner, Corporate Officer) (Name of Proposer)
submitted the attached Bid/Proposal in **Bid No. B171005 Broadway & 54th Street Property**
- Affiant is a duly authorized representative of Proposer and is authorized to make this Non-Collusion Affidavit;
- The attached Proposal/Bid is genuine and is not a collusive or sham Proposal/Bid;
- The attached Proposal/Bid has been independently arrived at without collusion with any other bidder, proposer, person, firm, competitor, or potential competitor;
- Bidder/Proposer has not colluded, conspired, connived or agreed, directly or indirectly, with any other bidder, proposer, person, firm, competitor, or potential competitor, to submit a collusive or sham bid or that such other bidder, proposer, person, firm, competitor, or potential competitor shall refrain from bidding/proposing;
- Bidder/Proposer has not in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other bidder, proposer, person, firm, competitor, or potential competitor to fix the price or prices in the attached Bid/Proposal or of the bid/proposal any other bidder/proposer;
- Bidder/Proposer has not in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other bidder, proposer, person, firm, competitor, or potential competitor to fix the overhead, profit or cost element of the Bid/Proposal price or prices of any other bidder/proposer, or to secure through any collusion, conspiracy, connivance, or unlawful agreement any advantage against Galveston County or any person interested in the proposed contract;
- Affiant has not in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other bidder, proposer, person, firm, competitor, or potential competitor, paid or agreed to pay any other bidder, proposer, person, firm, competitor, or potential competitor any money or anything of value in return for assistance in procuring or attempting to procure a contract or in return for establishing the price or prices in the attached Bid/Proposal or the bid/proposal of any other Bidder/Proposer; and
- Affiant certifies that Affiant is fully informed regarding the accuracy of the statements contained herein, and under penalties of perjury, certifies and affirms the truth of the statements herein, such penalties being applicable to the Bidder/Proposer as well as to Affiant signing on its behalf.

Signature of Affiant

SWORN TO and SUBSCRIBED before me this _____ day of _____, 2017.

Notary Public

My Commission Expires: _____



County of Galveston Purchasing Department Vendor Qualification Packet

(rev. 1.2, March 29, 2010)

All interested parties seeking consideration for qualified vendor status with the County of Galveston should complete and return only the following attached forms to:

Galveston County Purchasing Department
722 Moody Avenue, (21st Street), 5th Floor
Galveston, Texas 77550
(409) 770-5371 office
(409) 621-7987 fax

- Form PEID:** Person /Entity Information Data
Form W-9: Request for Taxpayer Identification Number and Certification
(please note that the included form may not be the latest revised form issued by the Internal Revenue Service. Please check the IRS website at <http://www.irs.gov/pub/irs-pdf/fw9.pdf> for the latest revision of this form.)
Form CIQ: Conflict of Interest Questionnaire
(please note that the included form may not be the latest revised form issued by the State of Texas Ethics Commission. Please check the Texas Ethics Commission website at for the latest revision of this form. Please note that Galveston County Purchasing Agent is not responsible for the filing of this form with the Galveston County Clerk per instructions of the State of Texas Ethics Commission).

Certificate(s) of Insurance: If the person or entity seeking qualified vendor status with the County will be performing work at or on any County owned facility and/or property, Certificate(s) of Insurance are required to be submitted prior to performing any work.

Insurance requirements are as follows:

Public Liability and Property Damage Insurance:

Successful vendor agrees to keep in full force and effect, a policy of public liability and property damage insurance issued by a casualty company authorized to do business in the State of Texas, and in standard form approved by the Board of Insurance Commissioners of the State of Texas, with coverage provisions insuring the public from any loss or damage that may arise to any person or property by reason of services rendered by vendor. Vendor shall at its own expense be required to carry the following minimum insurance coverages:

- For damages arising out of bodily injury to or death of one person in any one occurrence – one hundred thousand and no/100 dollars (\$100,000.00);
- For damages arising out of bodily injury to or death of two or more persons in any one occurrence – three hundred thousand and no/100 dollars (\$300,000.00); and
- For injury to or destruction of property in any one occurrence – one hundred thousand and no/100 dollars (\$100,000.00).

This insurance shall be either on an occurrence basis or on a claims made basis. Provided however, that if the coverage is on a claims made basis, then the vendor shall be required to purchase, at the termination of this agreement, tail coverage for the County for the period of the County's relationship with the vendor under this agreement. Such coverage shall be in the amounts set forth in subparagraphs (1), (2), and (3) above.

Worker's Compensation Insurance:

Successful vendor shall also carry in full force Workers' Compensation Insurance policy(ies), if there is more than one employee, for all employees, including but not limited to full time, part time, and emergency employees employed by the vendor. Current insurance certificates certifying that such policies as specified above are in full force and effect shall be furnished by the vendor to the County.

The County of Galveston shall be named as additional insured on policies listed in subparagraphs above and shall be notified of any changes to the policy(ies) during the contractual period. Insurance is to be placed with insurers having a Best rating of no less than A. The vendor shall furnish the County with certificates of insurance and original endorsements affecting coverage required by these insurance clauses. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. The vendor shall be required to submit annual renewals for the term of any contractual agreement, purchase order or term contract, with Galveston County prior to expiration of any policy.

In addition to the remedies stated herein, the County has the right to pursue other remedies permitted by law or in equity.

The County agrees to provide vendor with reasonable and timely notice of any claim, demand, or cause of action made or brought against the County arising out of or related to utilization of the property. Vendor shall have the right to defend any such claim, demand, or cause of action at its sole cost and expense and within its sole and exclusive discretion. The County agrees not to compromise or settle any claim or cause of action arising out of or related to the utilization of the property without the prior written consent of the vendor.

In no event shall the County be liable for any damage to or destruction of any property belonging to the vendor unless specified in writing and agreed upon by both parties.

Procurement Policy - Special Note:

Understand that it is, according to Texas Local Government Code, Section 262.011, Purchasing Agents, subsections (d), (e), and (f), the sole responsibility of the Purchasing Agent to supervise all procurement transactions.

Therefore, be advised that all procurement transactions require proper authorization in the form of a Galveston County purchase order from the Purchasing Agent's office prior to commitment to deliver supplies, materials, equipment, including contracts for repair, service, and maintenance agreements. Any commitments made without proper authorization from the Purchasing Agent's office, pending Commissioners' Court approval, may become the sole responsibility of the individual making the commitment including the obligation of payment.

Code of Ethics - Statement of Purchasing Policy:

Public employment is a public trust. It is the policy of Galveston County to promote and balance the objective of protecting the County's integrity and the objective of facilitating the recruitment and

retention of personnel needed by Galveston County. Such policy is implemented by prescribing essential standards of ethical conduct without creating unnecessary obstacles to entering public office.

Public employees must discharge their duties impartially so as to assure fair competitive access to governmental procurement by responsible contractors. Moreover, they should conduct themselves in such a manner as to foster public confidence in the integrity of the Galveston County procurement organization.

To achieve the purpose of these instructions, it is essential that those doing business with Galveston County also observe the ethical standards prescribed here.

General Ethical Standards: It shall be a breach of ethics to attempt to realize personal gain through public employment with Galveston County by any conduct inconsistent with the proper discharge of the employee's duties.

It shall be a breach of ethics to attempt to influence any public employee of Galveston County to breach the standards of ethical conduct set forth in this code.

It shall be a breach of ethics for any employee of Galveston County to participate directly or indirectly in procurement when the employee knows that:

- The employee or any member of the employee's immediate family has a financial interest pertaining to the procurement.
- A business or organization in which the employee, or any member of the employee's immediate family, has a financial interest pertaining to the procurement.
- Any other person, business or organization with which the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

Gratuities: It shall be a breach of ethics to offer, give or agree to give any employee of Galveston County, or for any employee or former employee of Galveston County to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation of any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any program requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before this government.

Kickbacks: It shall be a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for Galveston County, or any person associated therewith, as an inducement for the award of a subcontract or order.

Contract Clause: The prohibition against gratuities and kickbacks prescribed above shall be conspicuously set forth in every contract and solicitation by Galveston County.

Confidential Information: It shall be a breach of ethics for any employee or former employee of Galveston County to knowingly use confidential information for actual or anticipated personal gain, or for the actual or anticipated gain of any person.

Questions/Concerns:

If you have any questions or concerns regarding the information or instructions contained within this packet, please contact any member of the Purchasing Department staff at (409) 770-5371.

CONFLICT OF INTEREST DISCLOSURE REPORTING

Proposer may be required under Chapter 176 of the Texas Local Government Code to complete and file a conflict of interest questionnaire (CIQ Form). If so, the completed CIQ Form must be filed with the County Clerk of Galveston County, Texas.

If Proposer has an employment or other business relationship with an officer of Galveston County or with a family member of an officer of Galveston County that results in the officer or family member of the officer receiving taxable income that exceeds \$2,500.00 during the preceding 12-month period, then Proposer **MUST** complete a CIQ Form and file the original of the CIQ Form with the County Clerk of Galveston County.

If Proposer has given an officer of Galveston County or a family member of an officer of Galveston County one or more gifts with an aggregate value of more than \$250.00 during the preceding 12-months, then Proposer **MUST** complete a CIQ Form and file the original of the CIQ Form with the County Clerk of Galveston County.

The Galveston County Clerk has offices at the following locations:

Galveston County Clerk
Galveston County Justice Center, Suite 2001
600 59th Street
Galveston, Texas 77551

Galveston County Clerk
North County Annex, 1st Floor
174 Calder Road
League City, Texas 77573

Again, if Proposer is required to file a CIQ Form, the original completed form is filed with the Galveston County Clerk (not the Purchasing Agent).

For Proposer's convenience, a blank CIQ Form is enclosed with this proposal. Blank CIQ Forms may also be obtained by visiting the Galveston County Clerk's website and/or the Purchasing Agent's website – both of these web sites are linked to the Galveston County homepage, at <http://www.co.galveston.tx.us>.

As well, blank CIQ Forms may be obtained by visiting the Texas Ethics Commission website, specifically at http://www.ethics.state.tx.us/whatsnew/conflict_forms.htm.

Chapter 176 specifies deadlines for the filing of CIQ Forms (both initial filings and updated filings).

It is Proposer's sole responsibility to file a true and complete CIQ Form with the Galveston County Clerk if Proposer is required to file by the requirements of Chapter 176. Proposer is advised that it is an offense to fail to comply with the disclosure reporting requirements dictated under Chapter 176 of the Texas Local Government Code.

If you have questions about compliance with Chapter 176, please consult your own legal counsel. Compliance is the individual responsibility of each person, business, and agent who is subject to Chapter 176 of the Texas Local Government Code.



COUNTY of GALVESTON
Purchasing Department

rev. 1.3, March 29, 2010

FORM PEID:	Request for Person-Entity Identification Data
-------------------	--

Instructions: Please type or print clearly when completing sections 1 thru 4 and return completed form to:

Galveston County Purchasing Agent
722 Moody Avenue (21st. Street), 5th Floor
Galveston, Texas 77550
(409) 770-5371 office
(409) 621-7987 fax

1.	Business Name:			
	Attention Line:			
2.	Physical Address:			
	City:		State:	Zip+4:
3.	Billing / Remit Address:			
	City:		State:	Zip+4
4.	Main Contact Person:			
	Main Phone Number:			
	Fax Number:			
	E-mail Address:			

Areas below are for County use only.

Requested By:	Phone / Ext. #
Department:	Date:
Action Requested - Check One:	IFAS PEID Vendor Number:
<input type="checkbox"/> Add New	<input type="checkbox"/> Change Data
<input type="checkbox"/> Inactivate	<input type="checkbox"/> Employee
<input type="checkbox"/> Landlord	<input type="checkbox"/> Foster Parent
<input type="checkbox"/> One Time	<input type="checkbox"/> Foster Child
	<input type="checkbox"/> Re-activate
	<input type="checkbox"/> Attorney
	<input type="checkbox"/> Refund

Request for Taxpayer Identification Number and Certification

Give form to the
requester. Do not
send to the IRS.

Print or type See Specific instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number
OR
Employer identification number

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here Signature of U.S. person ▶

Date ▶

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),
3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules for partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). Check the "Limited liability company" box only and enter the appropriate code for the tax classification ("D" for disregarded entity, "C" for corporation, "P" for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

For an LLC classified as a partnership or a corporation, enter the LLC's name on the "Name" line and any business, trade, or DBA name on the "Business name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

The following payees are exempt from backup withholding:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),
 2. The United States or any of its agencies or instrumentalities,
 3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,
 4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or
 5. An international organization or any of its agencies or instrumentalities.
- Other payees that may be exempt from backup withholding include:
6. A corporation,
 7. A foreign central bank of issue,
 8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,
 9. A futures commission merchant registered with the Commodity Futures Trading Commission,
 10. A real estate investment trust,
 11. An entity registered at all times during the tax year under the Investment Company Act of 1940,
 12. A common trust fund operated by a bank under section 584(a),
 13. A financial institution,
 14. A middleman known in the investment community as a nominee or custodian, or
 15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 9
Broker transactions	Exempt payees 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt payees 1 through 5
Payments over \$800 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 7 ²

¹ See Form 1099-MISC, Miscellaneous Income, and its Instructions.

² However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS Individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt payees, see *Exempt Payee* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.consumer.gov/idtheft or 1-877-IDTHEFT(438-4338).

Visit the IRS website at www.irs.gov to learn more about identity theft and how to reduce your risk.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ³
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ³
For this type of account:	Give name and EIN of:
6. Disregarded entity not owned by an individual	The owner
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

²Circle the minor's name and furnish the minor's SSN.

³You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

⁴List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

FORM CIQ

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY
Date Received

1 Name of vendor who has a business relationship with local governmental entity.

2 Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information in this section is being disclosed.

Name of Officer

This section (item 3 including subparts A, B, C, & D) must be completed for each officer with whom the vendor has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

Yes No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more?

Yes No

D. Describe each employment or business and family relationship with the local government officer named in this section.

4

Signature of vendor doing business with the governmental entity

Date