

AGREEMENT FOR SERVICES

This Agreement (“Agreement”) is entered into by and between then SEABROOK ECONOMIC DEVELOPMENT CORPORATION formed under the Texas Development Act and the Texas Non-profit Corporation Act, (“EDC”) and NATIONAL SIGN PLAZAS, INC., a California corporation (“Contractor”) for the purposes described herein.

WHEREAS, EDC has been organized to promote economic development for the City of Seabrook, Texas (“City”) within its municipal boundaries and the board of EDC has adopted an economic development plan outlining these goals: and

WHEREAS, EDC has adopted as a primary endeavor the promotion and retention of existing businesses and the development of new businesses: and

WHEREAS, EDC also supports other activities that bring tourists into the City, and thereby generate sales and activities with Seabrook businesses, including the attraction of tourists to Seabrook’s parks and waterfront areas; and

WHEREAS, EDC has determined that clear, attractive signage will assist in the business retention and development, and tourist visits and such has been identified as the Directional Sign Program Project, (“Project”), and published in the newspaper, and a public hearing held thereon, in accordance with state law: and

WHEREAS, EDC has determined that professional design and construction management services as further outlined herein are desirable for continuation of the Project; and

WHEREAS, Contractor is qualified and willing to perform such design and construction management services for such signage program as necessary and such services are available from limited vendors; and

WHEREAS, Contractor is qualified and willing to perform such design and construction management services as further outlined herein; now, therefore,

In consideration of the covenants and conditions stated herein, and in consideration of the mutual benefits that will accrue to each of the parties hereto, the Parties have agreed and do hereby agree as follows:

ARTICLE 1. GENERAL PROVISIONS

A. Purpose of Directional Sign Project The purpose of the Directional Sign Program Project is to provide direction for the citizens, visitors, tourists and the like, to the

location of businesses, public facilities, and civic points of interests within the City of Seabrook in order to facilitate the generation of sales tax within the City of Seabrook. For the purposes of the Directional Sign Project, the following exhibits are attached to this agreement, and incorporated herein as if fully set forth below:

Exhibit A. Proposed location map presented to EDC Board showing locations of the directional signs. It is understood that this exhibit may be modified to place signs at appropriate locations, and is attached to be a guide. Site plans submitted for each Directional Sign shall depict the specific location.

Exhibit B. Sign specification standards.

B. Definitions. For purposes of this Agreement, the following definitions apply:

1. *Directional Sign*- A structure placed in the City right of way for the purpose of displaying directional sign panels and directing citizens, tourists and the like to public or commercial facilities and destinations of interest. These are permanent directional signs that may contain destinations of both civic interest as well as commercial interest. Participants in the EDC's sign program will be allowed to place or lease panels on these sign frames. Upon installation, the sign frame, the identity sign panel, the breakaway system and the foundation will be owned by the EDC. The commercial directional panels that are placed on these Commercial Signs will remain the property of the Contractor for the term of the panel lease or at such time that the EDC chooses to buy them. These panels will be managed by the Contractor on a fee basis for the benefit of the Participants involved in the EDC's Directional Sign Project.
2. *Participants*- Government, civic and non-profit entities with buildings in Seabrook, businesses, vendors, developers who are located in the City of Seabrook will be allowed to participate in the EDC's directional sign program.
3. *Sign Maintenance*- All inspections, repair, replacement, and maintenance performed by Contractor on the directional signage, as further described in Article III. C.

C. Placement on Directional Signs Space on the Directional Signs is limited and panels will be issued or assigned on a "first-come, first served," non-discriminatory basis, though multiple signs may be limited in order to secure participation by a larger number of participants. All Participants in the project must be located within the City of Seabrook at the time of application at a business address, as confirmed by City Staff at the time of applications. As these are directional signs, only relevant information shall be placed on the sign panel, subject to size limitations and uniformity, as determined by the

Director. Placement of panels for commercial entities will necessitate a lease with Contractor.

ARTICLE II SCOPE OF WORK AND TERMS

1. Scope of Work. Contractor shall perform the work set forth in the Contract Documents. In general, this work shall consist of the following:

In administrating the Directional Sign Program (Project), the contractor will:

- A. Construct, install, maintain and repair approved Sign Plazas and sign panels.
- B. Contract with developers and homebuilders for the lease of sign panels.
- C. Assist EDC in determining appropriate locations for Sign Plazas.
- D. Assist EDC with identifying and removing all illegal off-premise signage.
- E. Attend meetings as necessary with EDC staff and developers to coordinate project.
- F. Collect all lease payments and remit to the EDC, on a quarterly basis, an administrative fee as specified in Section 4.B of this document.

2. Definition, Purpose of Directional Sign Program and Specifications of Sign Plazas.

- A. Definition. For the purposes of this Agreement, a Sign Plaza is a structure placed in the City right of way for the purpose of displaying sign panels. The specifications of the Sign Plaza and sign panels are more fully developed in these Contract Documents.
- B. Purpose of Sign Plazas. The purpose of Sign Plazas is to provide direction for civic and commercial enterprises, and the like, to the location of commercial and public facilities within the City of Seabrook while discouraging the placement of unsightly and hazardous off-site directional signs.
- C. Specifications of Sign Plazas and Sign Panels. Contractor agrees to manufacture and install Sign Plaza structures and sign panels in accordance with the specifications in these Contract Documents and the following:

1. Sign Plaza Structures shall not exceed twelve (12) feet above average grade. Structures shall be more completely described in **Exhibit A**.
2. Sign Plazas shall be constructed of steel and/or aluminum and shall be capable of displaying up to ten (10) sign panels, doubled-sided, if necessary.
3. A Seabrook/EDC topper panel will be designed for the City of Seabrook's EDC and shall be prominently displayed at the top of any Sign Plaza within the jurisdictional limits of Seabrook. The panel shall be visible on any side of a Sign Plaza which displays directional sign panels.
4. The color of all Sign Plaza Structures shall be determined by the EDC. All sign panels shall conform to Section 2.C.11 below.
5. The Contractor shall submit final design plans to the EDC for approval prior to installation of any Sign Plaza.
6. No additions, tag sign streamers, attention-getting devices or other appurtenances shall be attached to any Sign Plaza or sign panel.
7. Sign Plaza locations shall be approved and designated by the EDC with the assistance of the Contractor.
8. At the EDC's request and direction, the Contractor shall remove and relocate any Sign Plazas within thirty (30) days of the receipt of written notice at no cost to the City/County.
9. Contractor shall provide, at no cost to the EDC, the equivalent of not less than ten percent (10%) of all permitted Sign Plazas to the EDC for use as directional signage to municipal or community service facilities or locations. Said sign panels shall be provided on a space available basis, secondary to sign panels to be displayed for developers, homebuilders, and residential communities, and shall be installed with no more than two (2) such sign panels per plaza.
10. Contractor shall provide to the EDC a semi-annual inventory report of existing installed sign panels.
11. Sign panels shall contain only the name of a commercial entity, public facility, Seabrook/EDC and logo, the commercial entity's name and/or logo, the commercial entity's recognized color scheme, and directional information or the name of the builder/developer and logo and an appropriate directional arrow. Directional arrows will be of a uniform size; a line of text at the bottom of the sign panel with directional information is permissible if circumstances warrant it. Fluorescent colors are not allowed. Reflective colors and text are permissible. Unless so authorized by the EDC, the sign panels shall not appear to replicate the commonly accepted color schemes of motorist signs.

12. Contractor shall, at its own cost, maintain, repair, replace and repaint each sign panel as necessary or deemed necessary by the EDC. Upon notice by the EDC, Contractor agrees to undertake necessary repairs or replacement of any sign panel within seventy-two (72) hours of receipt of notice.
 13. Contractor shall not install or maintain any Sign Plazas or sign panels within the City, which are not in compliance with the terms of this Agreement.
 14. Sign Panels shall be constructed on Alpolic 360. The panels shall be vinyl coated with a material comparable to 3M Engineering Grade Retro-reflective.
 15. Individual sign panels on the Primary Structures shall not exceed fifty (50) inches in horizontal length by twelve (12) inches in height. Individual sign panels on the Community Structures shall not exceed fifty (50) inches in horizontal length by twelve (12) inches in height. Individual sign panels on the Neighborhood Structures shall not exceed thirty (30) inches in horizontal length by thirty (30) inches in height.
3. Number of Sign Plaza Structures. The EDC has sole discretion to determine the number and placement of the Sign Plazas in its right-of-way. The EDC shall agree to allow the signage to direct customers to commercial facilities. Said signage shall be defined as one Sign Plaza at each location where commercial facilities require information regarding a change of direction and likewise where patrons would need reassurance to continue in a certain direction. One or more structures, located at least one hundred (100) feet apart, shall be allowed to accommodate directional sign panels. Contractor may submit to the EDC at any time during the term of the Agreement subsequent requests for the timely approval of additional Sign Plaza locations, as may be expressed by homebuilders, developers, and residential communities over time.
 4. Price and Payment Schedule for the Purchase of the Sign Plazas and Sign Panels. Subject to the provisions in Paragraph 6 below, the price and payment schedule for Sign Plazas shall be as follows:
 - A. Contractor will install the Sign Plazas and rotate panels at no cost to the EDC.
 - B. Contractor will collect, and remit to the EDC, an amount of \$10.00 per panel per month. Said fees shall be remitted within sixty (60) days of the end of each fiscal quarter. Fiscal quarters will be based on the Contractor's fiscal cycle, beginning October 1 and ending September 30.
 5. Term of Agreement and Termination of Agreement
 - A. Term. The term of this Agreement is five (5) years.

- B. Renewal. At the end of the initial five-year term, this contract will automatically renew for an additional (5) five year term unless either party provides at least sixty (60) days advanced notice before the end of the initial term, of their intention(s) to terminate this Agreement.
- C. Termination. This Agreement may be not be terminated by either party, except for breach as provided for in this Agreement:
1. Termination by EDC. If Contractor breaches and fails to remedy said breach as provided for in this Agreement, the EDC may terminate this contract. Contractor shall remove the Sign Plazas within thirty (30) businesses days after receiving a written termination letter from the EDC.
 2. Termination by Contractor. If Contractor terminates this Agreement before the end of the term as stated in subsection A immediately above, Contractor agrees that the Sign Plazas shall remain in place and that the sign panels and all receivables from the placement of the sign panels shall become the property of the EDC. Further, Contractor agrees to promptly transfer all information related to the placement of the sign panels to the EDC, including, but not limited to, the original sign service documents, an accounting of all open accounts, and all other relevant documents. After the transfer of all information, this Agreement shall be of no further effect.
6. Placement of Sign Panels. After the EDC's written approval and acceptance of the installed Sign Plazas, the EDC agrees to extend to Contractor an exclusive right to use the Sign Plazas for sign panel placements and to maintain the Sign Plazas and sign panels subject to the terms of this Agreement.
- A. Contractor agrees to offer and place sign panels for homebuilders, developers and residential communities. Contractor further agrees to use Contractor's best efforts to place all available sign panels.
 - B. Contractor agrees that the placement fees for the sign panels will be set at market rate. Contractor shall be allowed an annual cost of living increase for the fees as determined by the Consumer Price Index.
 - C. Contractor agrees to maintain all aspects of the placement of the sign panels, including entering into sign placement service agreements, billing, collecting fees, and paying any applicable taxes and fees.
 - D. Contractor will remit to the EDC on a quarterly basis the amount of the EDC's Administrative Fee as specified in Section 4.B of this document.

- E. Contractor agrees to provide an annual report to the EDC pertaining to the number of sign panels installed within the City, the amount billed and the collection of the EDC's amount Administrative Fees.
- F. Contractor agrees that in no event will the EDC be liable for any fee payment or other fees related to the placement of the sign panels.
- G. Contractor agrees to include in all sign service agreements an assignment clause which will assign Contractor's rights to fee payment to the EDC in the event Contractor elects to terminate this Agreement pursuant to Paragraph 5.C.2 above.
- H. Homebuilders, developers, and residential communities with sites located within the jurisdictional boundaries of the City of Seabrook, present and soon-to-be-annexed, shall at all times be allowed to participate in the Sign Plaza program.
- I. EDC and Contractor agree that no sign panels other than those manufactured and installed by Contractor shall be allowed on the Sign Plaza Structures.

7. Maintenance of Sign Plazas:

- A. Contractor agrees to maintain the Sign Plazas and sign panels for the term of this Agreement.
- B. Contractor agrees to replace damaged Sign Plazas and sign panels, as it deems necessary or as requested by the EDC.
- C. Contractor agrees to provide to the EDC with a telephone number and a contact person allowing the EDC to contact Contractor requesting maintenance on the Sign Plazas or sign panels 24 hours a day, seven days a week.
- D. Contractor agrees to repair all Sign Plazas within five (5) business days of the receipt of the EDC's written request for repair. Contractor further agrees to remove for repair all sign panels within seventy-two (72) hours of written notification of the need of repair by the EDC. Sign panel will be replaced within five (5) business days of the written notification.
- E. Contractor agrees to maintain a regular maintenance schedule to check each Sign Plaza and sign panel for all necessary repairs and to complete those repairs promptly.
- F. Contractor agrees to maintain all Sign Plazas and sign panels in conformity with all terms of this Agreement.

8. Indemnification. Contractor agrees to indemnify, defend, and hold harmless the EDC, its officials, officers, agents, and employees from: a) liability for damages resulting from injury, death, property damage, and economic loss suffered by any person as a result of the negligent or willful act or omission of the Contractor or the Contractor's officer, agent, employee, or subcontractor; and b)

reasonable attorney fees, court costs, settlement expenses and litigation expenses related to liability described in subsection a) immediately above and/or relating to any claim or action asserting such liability against the EDC, its officials, officers, agents, and employees, unless said claim or action is the result of the negligent or willful act or omission of the EDC or the EDC's officer, agent, employee, or subcontractor.

9. Insurance. Contractor shall maintain in full force and effect throughout the entire term of this Agreement insurance with an insurance company authorized to conduct business in Seabrook, TX with the following policy limits.
- A. Comprehensive General Liability - \$2,000,000 combined aggregate
 - B. Automobile Liability - \$1,000,000
 - C. Workers Compensation
 - 1. Bodily Injury by Accident - \$1,000,000
 - 2. Bodily Injury by Disease - \$500,000

Upon written request, Contractor shall present a Certificate of Insurance in a form satisfactory to the EDC Attorney which shall name the EDC as an additional insured party on Contractor's Comprehensive General and Automobile Liability policies. If during the term of this Agreement, any such insurance is canceled, or if Contractor fails to renew same, or if the policy limits are reduced below the limits required above, such event shall constitute a default of this Agreement. Contractor shall immediately notify the EDC in writing if such an event occurs. Contractor shall have Five (5) business days to cure any such default.

10. Independent Contractor. Contractor shall, at all times herein, be an independent contractor and not an employee of the EDC.
11. Notice. Any notice required to be given pursuant to this Agreement may be personally served upon the parties or may be served by certified mail, return receipt required, to:

Economic Development Corporation:
City of Seabrook, Texas
Attn: Paul Chavez
1700 First Street
Seabrook, TX 775586

CONTRACTOR:
National Sign Plazas
Attn: Grant Hayzelett
2422 S. Trenton Way Unit H
Denver, CO 80231

Telephone: 281-291-5730
Fax:

Telephone: 720-482-9293

All notices, regardless of the nature of service, shall additionally be served upon Contractor at Contractor's office(s) in the State of Texas located at:

Attn: Steve Startzell
20302 Park Row #900
Katy, TX 77449

12. Assignment and Subcontracting. Contractor may not delegate, assign or subcontract all or any part of the work except the fabrication and installation of the Sign Plaza structures and production of the sign panels, which require equipment, materials and expertise which the Contractor reasonably may not be expected to possess, without the EDC's prior written consent.
13. Miscellaneous. The Contract Documents represent the entire and integrated Agreement between the EDC and Contractor and supersedes all prior negotiations, representations of Agreements, whether written or oral, except as where noted. The Contract Documents may be modified only by a written document signed by both parties and approved by the EDC. This Agreement shall be governed under Texas State law, and venue of any action relating to the Agreement shall be brought only in Harris County.
14. Mutual Drafting. The EDC and the Contractor each has had opportunity to consult legal counsel regarding the drafting of this Agreement and the provisions of this Agreement shall not be construed against or in favor of either party.
15. Default and Remedies. If any Party fails to perform any of its obligations under the Contract Documents, such failure shall constitute a default. The non-defaulting Party shall give the defaulting Party written notice of the default. The defaulting Party shall have ten (10) business days after the receipt of such notice in which to cure the default. Failure to cure the default shall constitute a breach of this Agreement. In the event of a breach, the non-breaching party may terminate this Agreement and may obtain any reasonable remedy provided by law.

In Witness Whereof, authorized parties have signed this Agreement on the dates indicated below.

Seabrook EDC

National Sign Plazas, Inc
a California Corporation

By _____

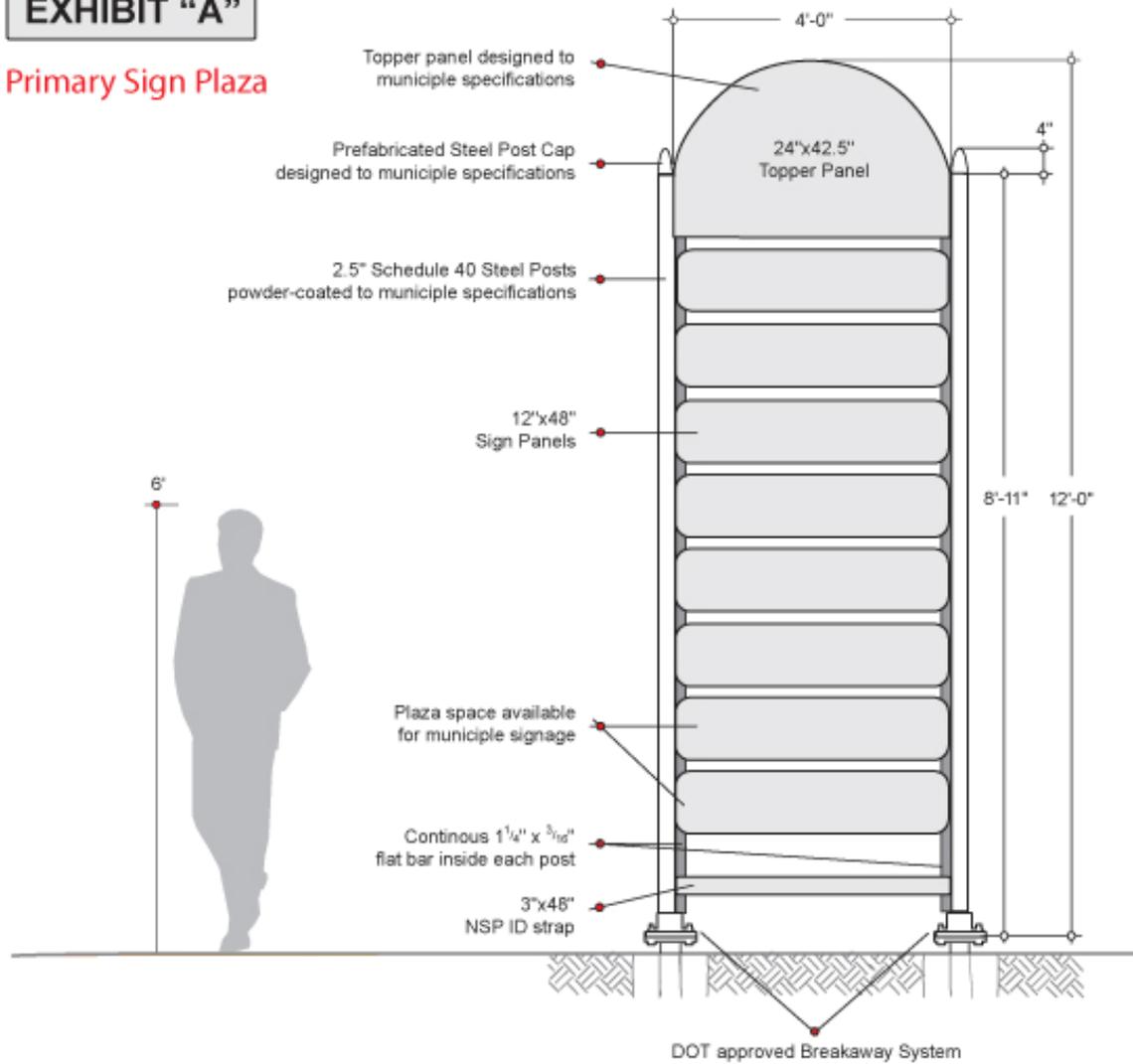
By _____
Grant Hayzlett, President

Date _____

Date _____

EXHIBIT "A"

Primary Sign Plaza



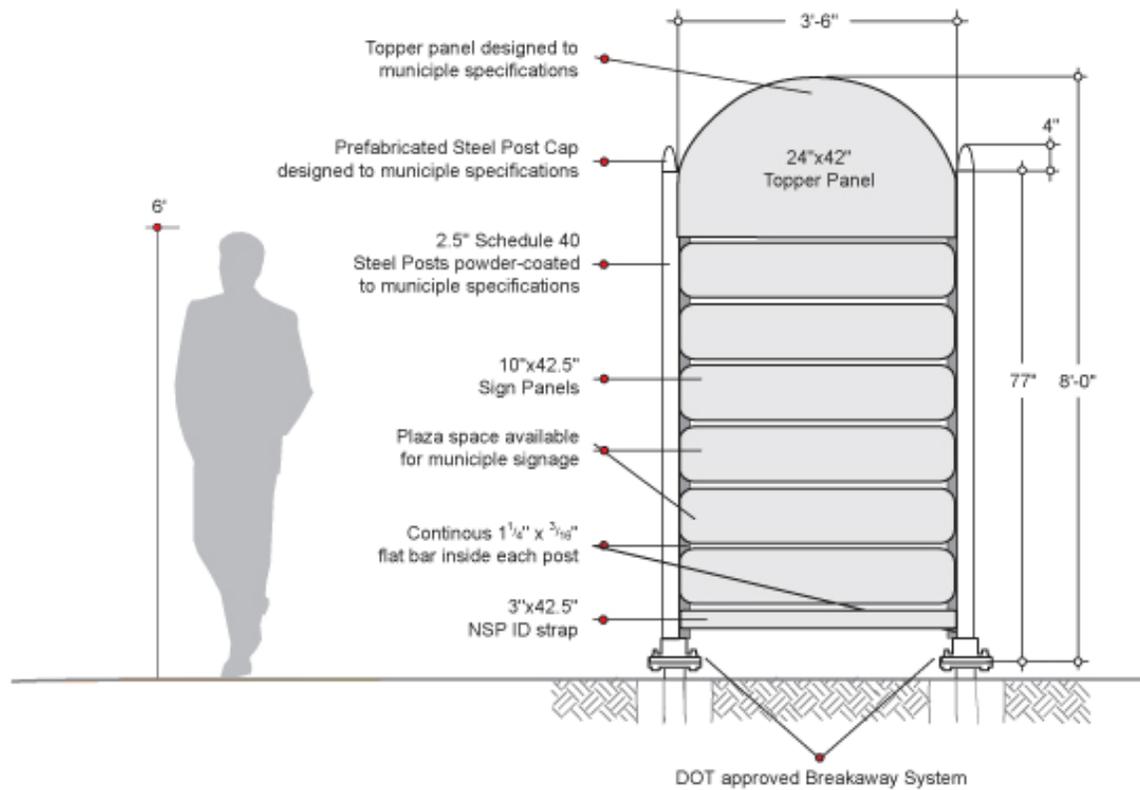
Primary Sign Panel Specifications

- Alpolic 350 substrate
- 2mm to 3mm thick
- Full-color graphics
- Directional arrow



EXHIBIT "A"

Community Sign Plaza



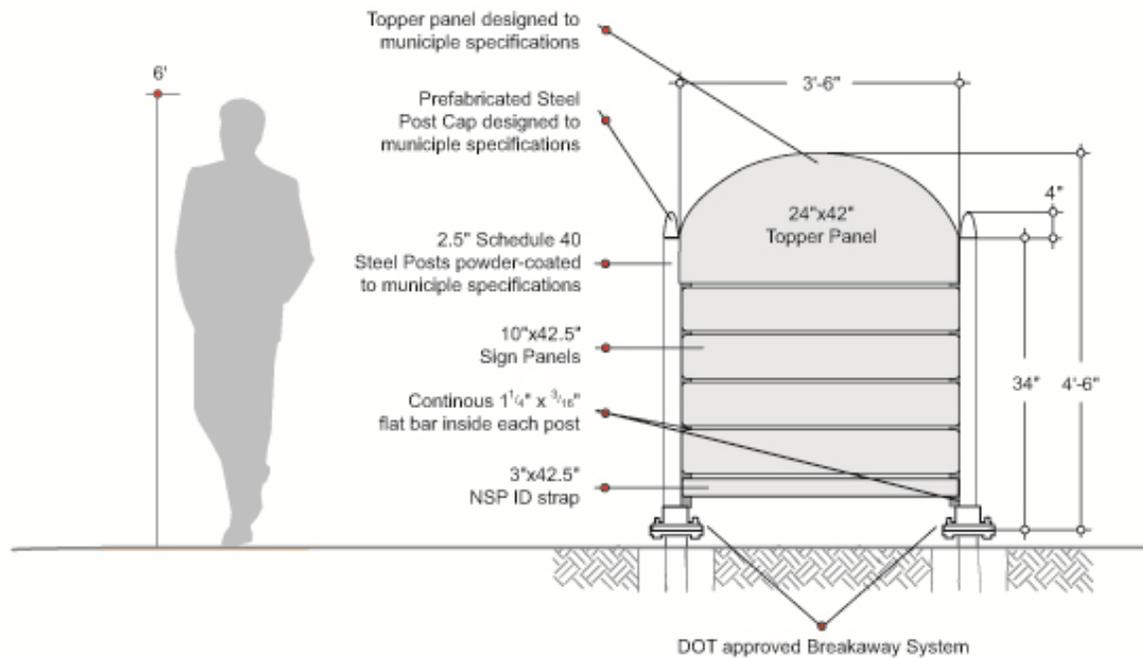
Community Sign Panel Specifications

- Alpolic 350 substrate
- 2mm to 3mm thick
- Full-color graphics
- Directional arrow



EXHIBIT "A"

Neighborhood Sign Plaza



Neighborhood Sign Panel Specifications

- Alpollic 350 substrate
- 2mm to 3mm thick
- Full-color graphics
- Directional arrow

