

AMENDMENT NO. 1

TO

LOCAL COOPERATION AGREEMENT

BETWEEN

THE DEPARTMENT OF THE ARMY AND

HARRIS COUNTY FLOOD CONTROL DISTRICT, HARRIS COUNTY, TEXAS

FOR CONSTRUCTION OF THE

SIMS BAYOU, HOUSTON, TEXAS, PROJECT

THIS AGREEMENT, entered into this 16th day of February 1994, by and between the DEPARTMENT OF THE ARMY (hereinafter referred to as the "Government"), acting by and through the Assistant Secretary of the Army (Civil Works), and HARRIS COUNTY FLOOD CONTROL DISTRICT OF HARRIS COUNTY, TEXAS (hereinafter referred to as the "District", acting by and through the County Judge, as authorized by an official resolution passed by the Commissioner's Court of Harris County, Texas, a copy of which is attached hereto (Amendment No. 1, Exhibit A).

WITNESSETH, THAT:

WHEREAS, the Government and the District entered into the Local Cooperation Agreement on the 19th day of October 1990 (hereinafter referred to as the "LCA") for the Sims Bayou, Houston, Texas, Project; and

WHEREAS, the Government undertook and completed, to the satisfaction of the local sponsor, a redesign of the Sims Bayou, Houston, Texas, Project for the sake of environmental integrity and sensitivity and documented the completed redesign with the publication of a Supplemental Design Memorandum dated May 1993; and

WHEREAS, the District requested by letter of October 22, 1990, that the Government construct the project reach from Interstate Highway 45 to Broadway Boulevard, a reach designated in the LCA for construction by the District as integral credit work, because the District determined it could not complete the work consistent with the overall project schedule; and

WHEREAS, the District acknowledged in its letter of October 22, 1990, that if the Government concurred in the District's request, the integral credit the District would have received for performing work in the Interstate Highway 45 to Broadway Boulevard reach would no longer be applicable; and

WHEREAS, the Government, by letter of December 3, 1990, concurred with the District's request;

NOW THEREFORE, the parties agree as follows:

I. This Agreement amends the LCA as follows:

1. After the words "dated January 1989" in Article I.a., the words " and as modified by Supplement No. 1 to the General Design Memorandum dated May 1993" are inserted.

2. At the end of the last sentence of Article I.a., the words, "except for the reach from Interstate Highway 45 to Broadway Boulevard which will be constructed by the Government rather than the District" are inserted.

3. At the end of the first sentence of Article II.m., the words "except for the reach from Interstate Highway 45 to Broadway Boulevard which will be constructed by the Government rather than the District" are inserted.

4. Article II.m.1. is deleted.

5. Article II.m.2. is renumbered to be Article II.m.1.

6. Article II.m.3. is renumbered to be Article II.m.2. and, in the first sentence, \$26,002,000 is deleted and \$20,232,000 is inserted.

7. Exhibit C is deleted and Amendment No. 1, Exhibit C, is inserted, a copy of which is attached.


II. The LCA is amended only to the extent set out above and all other provisions, including those dealing with lands, easements, rights-of-way, relocations, and disposal areas, continue in full force and effect and are to be implemented as provided therein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, which shall become effective upon the date it is signed by the Assistant Secretary of the Army (Civil Works), or the officer to whom his signature authority is delegated.

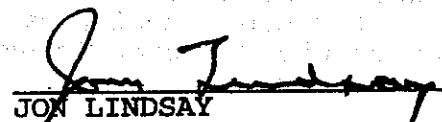
THE DEPARTMENT OF THE ARMY

HARRIS COUNTY FLOOD CONTROL
DISTRICT, HARRIS COUNTY, TEXAS

BY:


JOHN P. BASILOTTO
Colonel, EN
Commanding

BY:


JON LINDSAY
County Judge
Harris County, Texas

Date:

2-16-94

Date:

February 8, 1994

AMENDMENT NO. 1, EXHIBIT A

THE STATE OF TEXAS)
)
COUNTY OF HARRIS)

The Commissioners Court of Harris County, Texas, convened at a regularly scheduled meeting of said Court at the Harris County Administration Building in the City of Houston, Texas, on the 8th day of February, 1994, with the following members present, to-wit:

and the following member(s) absent, to-wit:

constituting a quorum, when among other business, the following was transacted:

ORDER AUTHORIZING EXECUTION ON BEHALF OF HARRIS COUNTY FLOOD CONTROL DISTRICT OF AMENDMENT NO. 1 TO THE LOCAL COOPERATION AGREEMENT BETWEEN HARRIS COUNTY FLOOD CONTROL DISTRICT AND DEPARTMENT OF THE ARMY REGARDING SIMS BAYOU

Commissioner Dorteno introduced the order and made a motion that the same be adopted. Commissioner Lee seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order, prevailed by the following vote:

AYES: Judge Lindsay, Commissioners Lee, Dorteno, Radack, and Everale
NOES: none

The County Judge thereupon announced that the motion had duly and lawfully carried and that the order had been duly and lawfully adopted. The order thus adopted follows:

PRESENTED TO
Commissioners Court
FEB 08 1994

Date _____

Recorded Vol. _____ Page _____

AMENDMENT NO. 1, EXHIBIT A (Cont'd)

ORDER AUTHORIZING EXECUTION ON BEHALF OF
HARRIS COUNTY FLOOD CONTROL DISTRICT OF
AMENDMENT NO. 1 OF LOCAL COOPERATION AGREEMENT
BETWEEN HARRIS COUNTY FLOOD CONTROL DISTRICT AND
DEPARTMENT OF THE ARMY REGARDING SIMS BAYOU

WHEREAS, the LOCAL COOPERATION AGREEMENT for the SIMS BAYOU, HOUSTON, TEXAS, PROJECT was entered into the 19th day of October 1990 (hereinafter called the "LCA") between the HARRIS COUNTY FLOOD CONTROL DISTRICT (hereinafter called the "District") and DEPARTMENT OF THE ARMY (hereinafter called the "Government"), and

WHEREAS, the District requested by letter of October 22, 1990, that the Government construct the project reach from Interstate Highway 45 to Broadway Boulevard, a reach designated in the LCA for construction by the District; and

WHEREAS, the Government, by letter of December 3, 1990, concurred with the District's request; and

WHEREAS, the Government has requested that the LCA be amended concerning the change in construction responsibility for the reach from Interstate Highway 45 to Broadway Boulevard,

THEREFORE, BE IT ORDERED, BY THE COMMISSIONERS COURT OF HARRIS COUNTY, TEXAS, acting for and on behalf of the Harris County Flood Control District:

1. That County Judge Jon Lindsay be authorized to execute, on behalf of the Harris County Flood Control District, an agreement entitled AMENDMENT NO. 1 TO LOCAL COOPERATION AGREEMENT BETWEEN THE DEPARTMENT OF THE ARMY AND THE HARRIS COUNTY FLOOD CONTROL DISTRICT, HARRIS COUNTY, TEXAS FOR CONSTRUCTION OF THE SIMS BAYOU, HOUSTON, TEXAS, PROJECT, said agreement being incorporated herein by reference for all purposes as though fully set forth word for word.

AMENDMENT NO. 1, EXHIBIT A (Cont'd)

ADOPTED, PASSED AND APPROVED, this 8th day of
February, 1994.

Jan Tinsley
County Judge

Glenn Lee
Commissioner, Precinct No. 1

Jim Fortner
Commissioner, Precinct No. 2

Steve Radin
Commissioner, Precinct No. 3

Jerry Eversole
Commissioner, Precinct No. 4

ATTEST:

MOLLY PRYOR, County Clerk
and Ex Officio Clerk
of the Commissioners Court of
Harris County, Texas

By Kevin Manning
Deputy

(COM. CT. SEAL)

AMENDMENT NO. 1, EXHIBIT A (Cont'd)

THE STATE OF TEXAS)
)
COUNTY OF HARRIS)

I, the undersigned, the duly elected, qualified and acting County Clerk and Ex Officio Clerk of the Commissioners Court of Harris County, Texas, do hereby certify that the attached and foregoing is a true and correct copy of an ORDER AUTHORIZING EXECUTION ON BEHALF OF HARRIS COUNTY FLOOD CONTROL DISTRICT OF AMENDMENT NO. 1 TO LOCAL COOPERATION AGREEMENT BETWEEN HARRIS COUNTY FLOOD CONTROL DISTRICT AND DEPARTMENT OF THE ARMY REGARDING SIMS BAYOU, adopted by said Commissioners Court at a meeting, open to the public, held on the 8th day of February, 1994, together with an excerpt from the minutes of said meeting showing the adoption thereof, as same appears on record in the official minutes of said Commissioners Court on file in my office.

I further certify that written notice of the date, hour, place and subject of the meeting of the Commissioners Court of Harris County, Texas, acting for and in behalf of the Harris County Flood Control District, at which the foregoing Order was adopted, was posted at a place convenient to the public in the administrative office of the Harris County Flood Control District and readily accessible to the general public at all times for at least seventy-two (72) hours preceding the scheduled time of said meeting, and also furnished to the County Clerk of the County in which the District is located, and that the said County Clerk posted the notice on a bulletin board located at a place convenient to the public in the County Courthouse and readily accessible to the general public at all times for at least seventy-two (72) hours preceding the scheduled time of said meeting, pursuant to TEX. REV. CIV. STAT. ANN. art. 6252-17, as amended.

WITNESS MY HAND AND THE OFFICIAL SEAL OF SAID COURT, this the 8th day of February, 1994.

MOLLY PRYOR, County Clerk and Ex
Officio Clerk of the Commissioners
Court of Harris County, Texas

By Kevin Maury
Deputy

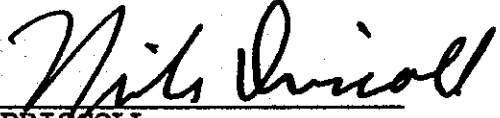
(COM. CT. SEAL)

AMENDMENT NO. 1, EXHIBIT B

CERTIFICATE OF AUTHORITY

I, Mike Driscoll, do hereby certify that I am the principal legal officer of Harris County, Texas, that the Harris County Flood Control District is a legally constituted public body with full authority and legal capability to perform the terms of Amendment No. 1 to the Agreement between the Department of the Army and the Harris County Flood Control District in connection with the Project, and that the persons who have executed this Agreement on behalf of the Harris County Flood Control District have acted within their statutory authority.

IN WITNESS WHEREOF, I have made and executed this certification this 31st day of January, 1994.


MIKE DRISCOLL
County Attorney

AMENDMENT NO. 1, EXHIBIT C

Apportionment of Estimated Project Costs by
Applying Credit Pursuant to Section 104 of Public Law 99-662

	Basic Project	W/Integral Credit	Final W/External Credit
Non-Federal			
5% Cash	\$13,705,500	\$13,705,500	\$15,304,000
LERRD	62,002,000	62,002,000	53,501,000
Construction	0	0	20,232,000
Subtotal	<u>\$75,707,500</u>	<u>\$75,707,500</u>	<u>\$89,037,000</u>
Federal			
Construction	\$196,915,500	\$196,915,500	\$195,317,000
LERRD	1,487,000	1,487,000	21,719,000
Subtotal	<u>\$198,402,500</u>	<u>\$198,402,500</u>	<u>\$217,036,000</u>
Total Project Cost	\$274,110,000	\$274,110,000	\$306,073,000
Increase in Government Costs			\$18,633,500
Cost of compatible integral sponsor construction:			\$ 0
Cost of compatible external sponsor construction:			31,963,000
Total cost of compatible sponsor construction:			<u>\$31,963,000</u>
Cost of associated lands, easements, rights-of-way, relocations, and disposal areas (LERRD):			<u>-11,731,000</u>
Available Construction Credit			<u>\$20,232,000</u>

CERTIFICATION OF LEGAL REVIEW

Amendment No. 1 to the Local Cooperation Agreement for Sims Bayou has been fully reviewed by the Office of Counsel, USAED, Galveston.

Frances S. Higgins
FRANCES S. HIGGINS
District Counsel

CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any 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 modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transition was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.



JON LINDSAY
County Judge
Harris County, Texas

February 8, 1994
DATE

LOCAL COOPERATION AGREEMENT

BETWEEN

THE DEPARTMENT OF THE ARMY AND

HARRIS COUNTY FLOOD CONTROL DISTRICT, HARRIS COUNTY, TEXAS

FOR CONSTRUCTION OF THE

SIMS BAYOU, HOUSTON, TEXAS, PROJECT

THIS AGREEMENT, entered into this 19TH day of OCTOBER 1990, by and between the DEPARTMENT OF THE ARMY (hereinafter referred to as the "Government"), acting by and through the Assistant Secretary of the Army (Civil Works), and HARRIS COUNTY FLOOD CONTROL DISTRICT OF HARRIS COUNTY, TEXAS (hereinafter referred to as the "District"), acting by and through the County Judge, as authorized by an official resolution passed by the Commissioner's Court of Harris County, Texas, a copy of which is attached hereto (Exhibit A).

WITNESSETH, THAT:

WHEREAS, construction of the Sims Bayou project at Houston, Texas, (hereinafter referred to as the "Project", as defined in Article I.a. of the Agreement), was authorized by Section 401(a) of the Water Resources Development Act of 1986, (Public Law 99-662) as amended by Public Law 101-101; and

WHEREAS, Section 103 of the Water Resources Development Act of 1986, Public Law 99-662, as amended, specifies the cost-sharing requirements applicable to the Project; and

WHEREAS, Section 221 of the Flood Control Act of 1970, Public Law 91-611, as amended, provides that the construction of any water resources project by the Secretary of the Army shall not be commenced until each non-Federal interest has entered into a written agreement to furnish its required cooperation for the project; and

WHEREAS, the District does not qualify for a reduction of the maximum non-Federal cost share pursuant to the guidelines which implement Section 103(m) of the Water Resources Development Act of 1986, Public Law 99-662, published in 33 C.F.R., sections 41.1 - 6, entitled "Flood Control Cost-Sharing Requirements Under the Ability to Pay Provision"; and

WHEREAS, pursuant to Section 104 of Public Law 99-662, the Assistant Secretary of the Army (Civil Works) on 28 July 1988 approved credit for construction accomplished by the District; and

WHEREAS, a separate Local Cooperation Agreement will be entered into between the Government and the City of Houston for constructing, operating, maintaining, replacing and rehabilitating the recreational features on lands provided by the District pursuant to this Agreement; and

WHEREAS, it is necessary for the District to afford the City of Houston entry onto such lands to complete the work described in such agreement; and

WHEREAS, the District has the authority (Exhibit B) and capability to furnish the cooperation hereinafter set forth and is willing to participate in cost-sharing and financing in accordance with the terms of this Agreement;

NOW THEREFORE, the parties agree as follows:

ARTICLE I - Definitions

For purposes of this Agreement:

a. The term "Project" shall mean channel enlargement, rectifications, and erosion control measures on 19.31 miles of Sims Bayou from the mouth upstream to near Croquet Street as described in the Sims Bayou General Design Memorandum dated January 1989 and the credited portion of the local construction deemed compatible by the Assistant Secretary of the Army (Civil Works) in his decision of 28 July 1988.

b. The term "total Project costs" shall mean all costs incurred by the District and the Government directly related to construction of the Project. Such costs shall include, but not necessarily be limited to continuing planning and engineering costs incurred after October 1, 1985; costs of applicable engineering and design; actual construction costs; supervision and administration costs; costs of contract dispute settlements or awards; and the value of lands, easement, rights-of-way, utility and facility alterations or relocations, and dredged or excavated material disposal areas provided for the Project by the District, but shall not include any costs for recreation as described in the Agreement to be entered into between the Government and the City of Houston, nor costs for betterments, operation, repair, maintenance, replacement, or rehabilitation.

The term "total Project cost" also includes the actual cost of construction performed by the District and verified by the Government which was deemed compatible with the Project by the Assistant Secretary of the Army (Civil Works) in his decision of 28 July 1988.

c. The term "period of construction" shall mean the time from the advertisement of the first construction contract to the time of acceptance of the Project by the Contracting Officer.

d. The term "Contracting Officer" shall mean the U.S. Army Engineer for the Galveston District, or his designee.

e. The term "highway" shall mean any highway, thoroughfare, roadway, street, or other public or private road or way.

f. The term "relocations" shall mean alterations, modifications, lowering or raising in place, and/or new construction related to, but not limited to, existing: railroads, highways, bridges, railroad bridges and approaches thereto, building, pipelines, public utilities (such as municipal water and sanitary sewer lines, telephone lines, and storm drains), aerial utilities, cemeteries, and other facilities, structures, and improvements determined by the Government to be necessary for the construction, operation and maintenance of the Project.

g. The term "fiscal year" shall mean one fiscal year of the United States Government, unless otherwise specifically indicated. The Government fiscal year begins on October 1 and ends on September 30.

h. The term "involuntary acquisition" shall mean the acquisition of lands, easements, and rights-of-way by eminent domain.

i. The term "functional portion of the Project" shall mean a completed portion of the Project as determined by the Contracting Officer to be suitable for tender to the District to operate and maintain in advance of completion of construction of the entire Project.

ARTICLE II - Obligations Of The Parties

a. The Government, subject to and using funds provided by the District and appropriated by the Congress of the United States, shall expeditiously construct the Project (including relocations of Railroad bridges and approaches thereto), applying

those procedures usually followed or applied in Federal Projects, pursuant to Federal laws, regulations, and policies. The District shall be afforded the opportunity to review and comment on all contracts, including relevant plans and specifications, prior to the issuance of invitations for bid. To the extent possible the District will be afforded the opportunity to review and comment on all modifications and change orders prior to the issuance to the contractor of a Notice to Proceed. The Government will consider the comments of the District, but award of contracts, modifications, or change orders and performance of all work on the Project (whether the work is performed under contract or by Government personnel), shall be exclusively within the control of the Government.

b. When the Government determines that the Project or a functional portion of the Project is complete, the Government shall turn the completed Project or functional portion over to the District, which shall accept the Project or functional portion and be responsible for operating, repairing, maintaining, replacing and rehabilitating the Project or functional portion in accordance with Article VIII hereof.

c. As further specified in Article VI hereof, the District shall provide, during the period of construction, a cash contribution of 5 percent of total Project costs.

d. As further specified in Article III hereof, the District shall provide all lands, easements, rights-of-way, and dredged or excavated material disposal areas, and perform all relocations (excluding railroad bridges and approaches thereto) (LERRD) determined by the Government to be necessary for construction of the Project. At its sole discretion, the Government may perform relocations in cases where it appears that the District's contributions will exceed the maximum non-Federal cost share set out in Article VI.e.3.

e. If the value of the contributions provided under paragraphs c. and d. of this Article represents less than 25 percent of total Project costs, the District shall provide, during the period of construction, an additional cash contribution in the amount necessary to make its total contribution equal to 25 percent of total Project costs.

f. No Federal funds may be used to meet the District's share of project costs under the Agreement unless the expenditure of such funds is expressly authorized by statute as verified in writing by the granting agency.

g. The District agrees to participate in and comply with applicable Federal flood plain management and flood insurance programs.

h. No less than once each year the District shall publicize and notify all interested parties that the Project will not provide protection from the occurrence of storms greater than the project design flood.

i. The District shall prevent obstruction or encroachment on the project works which could interfere with maintenance and operation of the Project or reduce its flood-carrying capacity.

j. The District shall comply with all floodplain regulations for areas other than those covered by the plan of improvement as necessary to assure compatibility between future development within the floodplain and the protection afforded by the improvement.

k. The District shall assume the responsibility for coordination of actions of all responsible local agencies to the end that adequate lateral drainage channels and drains will be provided and maintained without cost to the United States.

l. The District shall provide to the City of Houston, without cost to the City or Government, rights-of-entry to lands necessary for flood control within the Project boundaries, for development, operation, maintenance, replacement, and rehabilitation of the recreational features of the Project.

m. In accordance with the 28 July 1988 decision of the Assistant Secretary of the Army (Civil Works), the Government shall afford credit for compatible work performed by District toward the District's Project contributions pursuant to Section 104 of Public Law 99-662. Such credit shall not relieve the District of the five percent cash contribution required under Article II.c of this Agreement. The credit shall be afforded as follows:

1. Integral Compatible Work: Local work from Interstate Highway 45 to Broadway is equivalent to the Federal Project work for this reach. The value of this integral work to be credited to the District is based on the estimate for Federal construction work in this reach and is currently valued at \$5,770,000. Since improvements in this reach were a part of the authorized Federal Project, the costs of rights-of-way were already included in the estimated total Project cost.

2. External Compatible Work: Local Work between the Port Terminal Railroad and Interstate Highway 45 is compatible with the Federal Project and would have been included in the Federal Project if it had not been assumed to be part of the

without-project condition. This external work was not a part of the Project as originally authorized and allowing local credit for this work and its associated LERRD costs could increase the estimated total project cost by about \$31,963,000. Costs determined by the Government not to be costs for compatible work shall be borne entirely by the District and shall not be included in total Project costs. The amount of credit for external compatible work which is to be afforded to the District's share of the Project cost is currently estimated at \$20,232,000.

3. Method of Crediting: The amount of construction credit for compatible integral and external work performed by the District is currently estimated to be \$26,002,000. Applying this credit to the District's share of the total Project cost will result in a reapportionment of the LERRD cost between the District and the Government whereby the Government LERRD costs will increase by the amount of the estimated credit. This reapportionment of LERRD costs will not relieve the District of its responsibilities as defined in Article III herein for providing LERRD; however, it will result in the Government reimbursing the District for some of the LERRD provided. The procedure for paying the Federal appropriations to the District is described in Article VI.d. The actual amount of the credit will be recomputed during the computation of the total Project cost upon Project completion as described in Article VI.e.

n. The District's total cost-sharing requirements are estimated to be \$86,600,000 or 31.4 percent of the estimated total Project cost. The five percent cash contribution is estimated to be \$13,800,000. The procedure for calculating credits based on estimates of costs is set out in Exhibit C of this Agreement.

ARTICLE III - Lands, Facilities, and Public Law 91-646 Relocation Assistance

a. The District shall furnish to the Government all lands, easements, and rights-of-way, including suitable borrow and dredged or excavated material disposal areas, as may be determined by the Government to be necessary for construction, operation, and maintenance of the Project, and shall furnish to the Government evidence supporting the District's legal authority to grant rights-of-entry to such lands. The necessary lands, easements, and rights-of-way may be provided incrementally, but all lands, easements and rights-of-way determined by the Government to be necessary for work to be performed under a construction contract must be furnished prior to the advertisement of the construction contract.

b. The District shall provide or pay to the Government the cost of providing all retaining dikes, wasteweirs, bulkheads, and embankments, including all monitoring features and stilling basins, that may be required at any dredged or excavated material disposal areas necessary for construction of the Project.

c. Upon notification from the Government, the District shall accomplish or arrange for accomplishment at no cost to the Government all relocations (excluding railroad bridges and approaches thereto) determined by the Government to be necessary for construction of the Project.

d. The District shall comply with the applicable provisions of the Uniform Relocations Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646, as amended by Title IV of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (Public Law 100-17), and the Uniform Regulations contained in 49 CFR Part 24, in acquiring lands, easements, and rights-of-way for construction and subsequent operation and maintenance of the Project, and inform all affected persons of applicable benefits, policies and procedures in connection with said Act.

ARTICLE IV - Value of Lands And Facilities

a. The value of the lands easements, and rights-of-way to be included in total Project costs and credited towards the District's share of total project costs will be determined in accordance with the following procedures:

1. If the lands, easements, or rights-of-way are owned by the District as of the date the first construction contract for the Project is awarded, the credit shall be the fair market value of the interest provided to the Government by the District at the time of such award. The fair market value shall be determined by an appraisal, to be obtained by the District, which has been prepared by a qualified appraiser who is acceptable to both the District and the Government. The appraisal shall be reviewed and approved by the Government.

2. If the lands, easements, or rights-of-way are to be acquired by the District after the date of award of the first construction contract for the Project, the credit shall be the fair market value of the interest at the time such interest is acquired. The fair market value shall be determined as specified in Article IV.a.1. of this Agreement. If the District pays an amount in excess of the appraised fair market value, it may be entitled to a credit for the excess if the District has secured prior written approval from the Government of its offer to purchase such interest.

3. If the District acquires more lands, easements, or rights-of-way than are necessary for project purposes, as determined by the Government, then only the value of such portions of those acquisitions as are necessary for project purposes shall be included in total project costs and credited towards the District's share.

4. Credit for lands, easements, and rights-of-way in the case of involuntary acquisitions which occur within a one-year period preceding the date this Agreement is signed or which occur after the date this Agreement is signed will be based on court awards, or on stipulated settlements that have received prior Government approval.

5. Credit for lands, easements, or right-of-way acquired by the District within a five-year period preceding the date this Agreement is signed, or at any time after this Agreement is signed, will also include the actual incidental costs of acquiring the interest, e.g., closing and title costs, appraisal costs, survey costs, attorney's fees, plat maps, and mapping costs, as well as the actual amounts expended for payment of any Public Law 91-646 relocation assistance benefits provided in accordance with the obligations under this Agreement.

b. The costs of relocations which will be included in total project costs and credited towards the District's share of total project costs shall be that portion of the actual costs as set forth below, and approved by the Government:

1. Highways and Highway Bridges: Only that portion of the cost as would be necessary to construct substitute bridges and highways to the design standard that the State of Texas would use in constructing a new bridge or highway under similar conditions of geography and traffic loads.

2. Utilities and Facilities (including railroads): Actual relocation costs, less depreciation, less salvage value, plus the cost of removal, less the cost of betterments. With respect to betterments, new materials shall not be used in any alteration or relocation if materials of value and usability equal to those in the existing facility are available or can be obtained as salvage from the existing facility or otherwise, unless the provision of new material is more economical. If, despite the availability of used material, new material is used, where the use of such new material represents an additional cost, such cost will not be included in total project costs.

ARTICLE V - Construction Phasing And Management

a. To provide for consistent and effective communication between the District and the Government during the period of construction, the District and the Government shall appoint, by Letter of Appointment, representatives to coordinate on scheduling, plans, specifications, modifications, contract costs, and other matters relating to construction of the Project. The District will be informed of any changes in the cost estimate.

b. The representatives appointed above shall meet as necessary during the period of construction and shall make such recommendations as they deem warranted to the Contracting Officer.

c. The Contracting Officer shall consider the recommendations of the representatives in all matters relating to construction of the Project, but the Contracting Officer, having ultimate responsibility for construction of the Project, has complete discretion to accept, reject, or modify the recommendations.

ARTICLE VI - Method Of Payment

a. The District shall provide, during the period of construction, cash payments required to meet its obligations under Article II of this Agreement. Total Project costs are presently estimated to be \$275,900,000. In order to meet its cash payment requirements, the District must provide a cash contribution presently estimated to be \$13,800,000. The dollar amounts set forth in this Article are based upon the Government's best estimates which will reflect projection of costs, price level changes, and anticipated inflation. Such cost estimates are subject to adjustments based upon costs actually incurred and are not to be construed as the total financial responsibilities of the Government and the District.

b. The District shall provide its required cash contribution in proportion to the rate of Federal expenditures during the period of the construction in accordance with the following provisions:

1. For purposes of budget planning, the Government shall notify the District by July 1st of each year of the estimated funds that will be required from the District to meet its share of total Project costs for the upcoming fiscal year.

2. No later than sixty (60) calendar days prior to the award of the first construction contract, the Government shall notify the District of the District's share of total Project costs, including its share of costs attributable to the Project incurred prior to the initiation of construction, for the first fiscal year of construction. No later than thirty (30) calendar days thereafter, the District shall verify to the satisfaction of the Government that it has deposited the requisite amount in the District's official depository bank in an escrow account acceptable to the Government, with interest accruing to the District.

3. For the second and subsequent fiscal years of Project construction, the Government shall, no later than sixty (60) calendar days prior to the beginning of the fiscal year, notify the District of the District's share of total Project costs for that fiscal year. No later than thirty (30) calendar days prior to the beginning of the fiscal year, the District shall make the necessary funds available to the Government through the funding mechanism specified in Article VI.b.2 of this Agreement. As construction of the Project proceeds, the Government shall adjust the amounts required to be provided under this paragraph to reflect actual costs.

4. If at any time during the period of construction the Government determines that additional funds will be needed from the District, the Government shall so notify the District, and the District, no later than forty-five (45) calendar days from receipt of such notice, shall make the necessary funds available through the funding mechanism specified in Article VI.b.2 of this Agreement.

c. The Government will draw on the escrow account provided by the District such sums as the Government deems necessary to cover contractual and in-house fiscal obligations attributable to the Project as they are incurred, as well as costs incurred by the Government prior to the initiation of construction.

d. The Government shall pay to the District the LERRD cost reapportioned to the Government as a result of the District performing compatible construction work.

1. The total funds to be paid by the Government to the District during the construction period shall be equal to 80 percent of the reapportioned LERRD cost. The actual payment to the District during a fiscal year will depend on the amount of funds appropriated by the Congress.

2. Payment of the balance of the reapportioned LERRD costs, i.e., the 20 percent which will not be paid to the District during the construction period, will be held in reserve until the final accounting of project costs as described in Article VI.e.

e. Upon completion of the Project and resolution of all relevant contract claims and appeals, the Government shall compute the total Project costs, including the actual value of the compatible work performed by the District, and tender to the District a final accounting of the District's share of total Project costs.

1. In the event the total contribution by the District is less than its minimum required share of total Project costs, the District shall, no later than ninety (90) calendar days after receipt of written notice, make a cash payment to the Government of whatever sum is required to meet its minimum required share of total Project costs.

2. In the event the District has made total cash contributions, including any payments made for environmental investigations pursuant to Article X.a. of this Agreement, in excess of 5 percent of total Project costs which result in the District's having provided more than its required share of total Project costs, the Government shall no later than ninety (90) calendar days after the final accounting is complete, subject to the availability of appropriations, return said excess to the District; however, the District shall not be entitled to any refund of the 5 percent cash contribution required pursuant to Article II.c. of this Agreement.

3. If the District's total contribution under this Agreement (including lands, easements, rights-of-way, and relocations, and dredged or excavated material disposal areas provided by the District) exceeds 50 percent of total Project costs, the Government shall, subject to the availability of appropriations for that purpose, refund the excess to the District no later than ninety (90) calendar days after the final accounting is complete.

4. The actual amount of credit due to the District resulting from compatible work as described in Article II.m. shall be computed. No later than ninety (90) calendar days after the final accounting is complete, subject to the availability of appropriations for that purpose, the Government shall pay the remaining amount due to the District for reimbursement of the Government's share of the LERRD costs paid by the District.

ARTICLE VII - Disputes

Before any party to this Agreement may bring suit in any court concerning an issue relating to this Agreement, such party must first seek in good faith to resolve the issue through negotiation or other forms of nonbinding alternative dispute resolution mutually acceptable to the parties.

ARTICLE VIII - Operation, Maintenance, Repair, Replacement, And Rehabilitation

a. After the Government has turned the completed Project, or functional portion of the Project, over to the District, the District shall operate, maintain, repair, replace, and rehabilitate the completed Project, or functional portion of the Project, in accordance with regulations or directions prescribed by the Government.

b. The District hereby gives the Government a right to enter, at reasonable times and in a reasonable manner, upon land which it owns or controls for access to the Project for the purpose of inspection, and if necessary, for the purpose of completing, operating, maintaining, repairing, replacing, or rehabilitating the Project. If an inspection shows that the District for any reason is failing to fulfill its obligations under this Agreement without receiving prior written approval from the Government, the Government will send a written notice to the District. If the District persists in such failure for thirty (30) calendar days after receipt of the notice, then the Government shall have a right to enter, at reasonable times and in a reasonable manner, upon lands the District owns or controls for access to the Project for the purpose of completing, operating, maintaining, repairing, replacing, or rehabilitating the Project. No completion, operation, maintenance, repair, replacement, or rehabilitation by the Government shall operate to relieve the District of responsibility to meet its obligations as set forth in this Agreement, or to preclude the Government from pursuing any other remedy at law or equity to assure faithful performance pursuant to this Agreement.

ARTICLE IX - Release Of Claims

The District shall, to the extent allowed by state law, hold and save the Government free from all damages arising from the construction, operation and maintenance of the Project, except for damages due to the fault or negligence of the Government or its contractors.

ARTICLE X - HAZARDOUS SUBSTANCES

a. After execution of this Agreement, and upon direction by the Contracting Officer, the District shall perform, or cause to be performed, such environmental investigations as are determined necessary by the Government or the District to identify the existence and extent of any hazardous substances regulated under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), 42 USC 9601-9675, or any other State or Federal law, on lands necessary for Project construction, operation and maintenance. All actual costs incurred by the District which are properly allowable and allocable to performance of any such environmental investigations shall be included in total Project costs and cost shared as a construction cost in accordance with Section 103 (a) of Public Law 99-662.

b. In the event it is discovered through an environmental investigation or other means that any lands, easements, rights-of-way, or disposal areas to be acquired or provided for the Project contain any hazardous substances regulated under CERCLA, the District and the Government shall provide prompt notice to each other and the District shall not proceed with the acquisition of such lands, easements, rights-of-way, or disposal areas until mutually agreed.

c. The Government and the District shall determine whether to initiate construction of the Project, or if already in construction, to continue with construction of the Project, or (by mutual agreement or because no mutual agreement on proceeding with construction can be reached) to terminate construction of the Project for the convenience of the Government in any case where hazardous substances regulated under CERCLA are found to exist on any lands necessary for the Project. Should the Government and the District determine to proceed or continue with construction after considering any liability that may arise under CERCLA, as between the Government and the District, the District shall be responsible for any and all necessary cleanup and response costs, to include the costs of any studies and investigations necessary to determine an appropriate response to the contamination. Such costs shall not be considered a part of total project costs as defined in this Agreement. In the event the Government and the District determine to initiate or continue with construction pursuant to this paragraph and the District fails to provide any funds necessary to pay for cleanup and response costs or to otherwise discharge its responsibilities under this paragraph upon direction by the Government, the Government may either terminate or suspend work on the Project or proceed with further work as provided in Article XVII.

d. The District and the Government shall consult with each other under the Construction Phasing and Management Article of this Agreement to assure that responsible parties bear any necessary cleanup and response costs as defined in CERCLA. Any decision made pursuant to paragraph c of this Article shall not relieve any party from any liability that may arise under CERCLA.

e. The District shall fulfill its operation, maintenance, repair, replacement, or rehabilitation responsibilities for the Project pursuant to Article VIII of this Agreement in a manner so as not to cause liability to arise under CERCLA.

ARTICLE XI - Maintenance of Records

The Government and the District shall keep books, records, documents, and other evidence pertaining to costs and expenses incurred pursuant to this Agreement to the extent and in such detail as will properly reflect total Project costs. The Government and the District shall maintain such books, records, documents, and other evidence for a minimum of three years after completion of construction of the Project and resolution of all claims arising therefrom, and shall make available at their offices at reasonable times, such books, records, documents, and other evidence for inspection and audit by authorized representatives of the parties to this Agreement.

ARTICLE XII - Government Audit

The Government shall conduct an audit when appropriate of the District's records for the Project to ascertain the allowability, reasonableness, and allocability of its costs for inclusion as credit against the non-Federal share of project costs.

ARTICLE XIII - Federal And State Laws

In acting under its rights and obligations hereunder, the District agrees to comply with all applicable Federal laws and regulations, the Texas Constitution, and all other applicable State laws and regulations, including section 601 of Title VI of the Civil Rights Act of 1964, Public Law 88-352, and Department of Defense Directive 5500.II issued pursuant thereto and published in Part 300 of Title 32, Code of Federal Regulations, as well as Army Regulation 600-7, entitled "Nondiscrimination on the Basis of Handicap in Programs and Activities Assisted or Conducted by the Department of the Army."

ARTICLE XIV - Relationship Of Parties

The parties to this Agreement act in an independent capacity in the performance of their respective functions under this Agreement, and neither party is to be considered the officer, agent, or employee of the other.

ARTICLE XV - Officials Not To Benefit

No member of or delegate to the Congress, or resident commissioner, shall be admitted to any share or part of this Agreement, or to any benefit that may arise therefrom.

ARTICLE XVI - Covenant Against Contingent Fees

The District warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the District for the purpose of securing business. For breach or violation of this warranty, the Government shall have the right to annul this Agreement without liability, or, in its discretion, to add to the Agreement or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

ARTICLE XVII - Termination Or Suspension

a. If at any time the District fails to make the payments required under this Agreement, the Secretary of the Army shall terminate or suspend work on the Project until the District is no longer in arrears, unless the Secretary determines that continuation of work on the Project is in the interest of the United States or is necessary in order to satisfy agreements with any other non-Federal interest in connection with the Project. Any delinquent payment shall be charged interest at a rate, to be determined by the Secretary of the Treasury, equal to 150 per centum of the average bond equivalent rate of the 13-week Treasury bills auctioned immediately prior to the date on which such payment became delinquent, or auctioned immediately prior to the beginning of each additional 3-month period if the period of delinquency exceeds 3 months.

b. If the Government fails to receive annual appropriations in amounts sufficient to meet Project expenditures for the then-current or upcoming fiscal year, the Government shall so notify the District. After sixty (60) calendar days either party may elect without penalty to terminate this Agreement pursuant to this Article or to defer performance hereunder; however, deferral of future performance under this Agreement shall not affect existing obligations or relieve the parties of liability for any obligation previously incurred. In the event that either party elects to terminate this Agreement pursuant to this Article, both

parties shall conclude their activities relating to the Project and proceed to a final accounting in accordance with Article VI. of this Agreement. In the event that either party elects to defer future performance under this Agreement pursuant to this Article, such deferral shall remain in effect until such time as the Government receives sufficient appropriations or until either party elects to terminate this Agreement.

ARTICLE XVIII - Notices

a. All notices, requests, demands, and other communications required or permitted to be given under this Agreement shall be deemed to have been duly given if in writing and delivered personally, given by prepaid telegram, or if mailed by first-class (postage-prepaid) registered or certified mail, as follows:

If to the District:

Executive Director
Harris County Flood Control District
9900 Northwest Freeway, Suite 220
Houston, Texas 77092

If to the Government:

U. S. Army Engineer District, Galveston
ATTN: CESWG-DE
P. O. Box 1229
Galveston, Texas 77553-1229

b. A party may change the address to which such communications are to be directed by giving written notice to the other party in the manner provided in this Article.

c. Any notice, request, demand, or other communication made pursuant to this Article shall be deemed to have been received by the addressee at such time as it is personally delivered or seven (7) calendar days after it is mailed, as the case may be.

ARTICLE XIX - Confidentiality

To the extent permitted by the laws governing each party, the parties agree to maintain the confidentiality of exchanged information when requested to do so by the providing party.

ARTICLE XX - Section 902 Project Cost Limits

The District has reviewed the provisions set forth in Section 902 of Public Law 99-662, as amended, and understands that Section 902 establishes a maximum construction cost for the project. For purposes of this Agreement, the Section 902 cost limit is \$332,560,000 as calculated on May 23, 1990. This amount shall be adjusted to allow for appropriate increases for inflation and changes in the project cost as provided in Section 902. Should this cost maximum be reached, no additional funds may be expended on the project until additional authority is obtained from the Congress.

ARTICLE XXI - Government Rights And Authorities

Execution of this Agreement is entirely without prejudice to any right of navigational servitude or any other right or authority which the United States or the Department of the Army may have by law or administrative policy.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, which shall become effective upon the date it is signed by the Assistant Secretary of the Army (Civil Works).

THE DEPARTMENT OF THE ARMY

HARRIS COUNTY FLOOD CONTROL DISTRICT, HARRIS COUNTY, TEXAS

BY: Brink P. Miller
BRINK P. MILLER
Colonel, EN
Commanding

BY: Jon Lindsay
JON LINDSAY
County Judge
Harris County, Texas

Date: 19 OCT 1990

Date: 19 OCT 1990

AS WITNESSED BY:

Stanley K. Gentry, BS, USA

EXHIBIT A

THE STATE OF TEXAS)
)
COUNTY OF HARRIS)

The Commissioners Court of Harris County, Texas, convened at a regularly scheduled meeting of said Court at the Harris County Administration Building in the City of Houston, Texas, on the 9th day of October, 1990, with the following members present, to-wit: County Judge Jon Lindsay; Commissioner El Franco Lee, Precinct one; Jim Fonteno, Precinct Two; Steve Radack, Precinct Three; and E.A. Lyons, Jr.;

and the following member(s) absent, to-wit: None

constituting a quorum, when among other business, the following was transacted:

ORDER AUTHORIZING EXECUTION ON BEHALF OF HARRIS COUNTY FLOOD CONTROL DISTRICT OF LOCAL COOPERATION AGREEMENT BETWEEN HARRIS COUNTY FLOOD CONTROL DISTRICT AND DEPARTMENT OF THE ARMY REGARDING SIMS BAYOU

Commissioner Lee introduced the order and made a motion that the same be adopted. Commissioner Fonteno seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order, prevailed by the following vote:

AYES: Judge Lindsay; Commissioners Lee, Fonteno, Radack and Lyons
NOES: None

The County Judge thereupon announced that the motion had duly and lawfully carried and that the order had been duly and lawfully adopted. The order thus adopted follows:

PRESENTED TO
Commissioners Court

Date OCT 09 1990

EXHIBIT A (Cont'd)

ORDER AUTHORIZING EXECUTION ON BEHALF OF
HARRIS COUNTY FLOOD CONTROL DISTRICT OF LOCAL
COOPERATION AGREEMENT BETWEEN HARRIS COUNTY FLOOD CONTROL
DISTRICT AND DEPARTMENT OF THE ARMY REGARDING SIMS BAYOU

WHEREAS, construction of the SIMS BAYOU, HOUSTON, TEXAS PROJECT (hereinafter called the "Project") was authorized by Section 201(a) of the Water Resources Development Act of 1986, Public Law 99-662, and

WHEREAS, Section 101 of the Water Resources Development Act of 1986, Public Law 99-662, as amended, specifies the cost-sharing requirements applicable to the Project; and

WHEREAS, Section 221 of the Flood Control Act of 1970, Public Law 91-611, as amended, provides that the construction of any water resources project by the Secretary of the Army shall not be commenced until each non-Federal interest has entered into a written agreement to furnish its required cooperation for the project; and,

WHEREAS, the District has the authority and capability to furnish the non-Federal cooperation required by the Federal legislation authorizing the Project and by other applicable law,

THEREFORE, BE IT ORDERED, BY THE COMMISSIONERS COURT OF HARRIS COUNTY, TEXAS, acting for and on behalf of the Harris County Flood Control District:

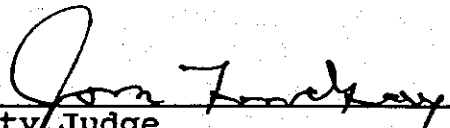
1. That County Judge John Lindsay be authorized to execute, on behalf of the Harris County Flood Control District, an agreement entitled LOCAL COOPERATION AGREEMENT BETWEEN THE DEPARTMENT OF THE ARMY AND THE HARRIS COUNTY FLOOD CONTROL DISTRICT, HARRIS COUNTY, TEXAS FOR CONSTRUCTION OF THE SIMS BAYOU, HOUSTON, TEXAS, PROJECT, said agreement being incorporated herein be reference for all purposes as though fully set forth word for word; and

2. That during each year while there is any obligation or liability of the District under said Agreement, Commissioners Court shall compute and ascertain the amount of ad valorem tax, based on the latest approved tax rolls of the Harris County Flood Control District, with full allowances being made for delinquencies and costs of tax collection, which will be sufficient to raise and produce the money required to fulfill the obligations and liabilities of the District under said Agreement during any such year, in no instance to be less than two (2%) per cent of such obligations, together with all interest thereon. Said rate and amount of ad valorem tax is levied

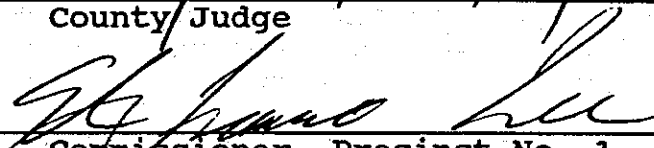
EXHIBIT A (Cont'd)

against all taxable property in said Harris County Flood Control District for each year while any obligations or liabilities of the District exist under said Agreement, and said ad valorem tax shall be assessed and collected each such year until all of the obligations under said agreement have been discharged and all liability thereunder discharged.

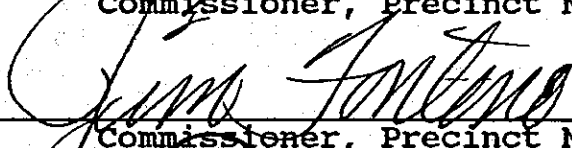
ADOPTED, PASSED AND APPROVED, this 9th day of October, 1990.




County Judge



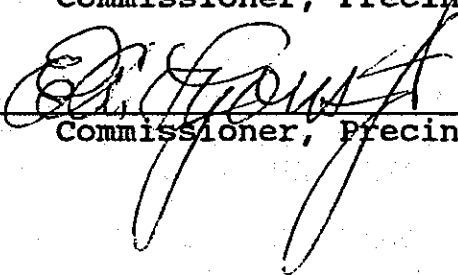
Commissioner, Precinct No. 1



Commissioner, Precinct No. 2



Commissioner, Precinct No. 3



Commissioner, Precinct No. 4

ATTEST:

ANITA RODEHEAVER, County
Clerk and Ex Officio Clerk
of the Commissioners Court of
Harris County, Texas

By 

Deputy

(COM. CT. SEAL)

EXHIBIT A (Cont'd)

THE STATE OF TEXAS §
 §
COUNTY OF TEXAS §

I, the undersigned, the duly elected, qualified and acting County Clerk and Ex Officio Clerk of the Commissioners Court of Harris County, Texas, do hereby certify that the attached and foregoing is a true and correct copy of an ORDER AUTHORIZING EXECUTION ON BEHALF OF HARRIS COUNTY FLOOD CONTROL DISTRICT OF LOCAL COOPERATION AGREEMENT BETWEEN HARRIS COUNTY FLOOD CONTROL DISTRICT AND DEPARTMENT OF THE ARMY REGARDING SIMS BAYOU, adopted by said Commissioners Court at a meeting, open to the public, held on the 9th day of October, 1990, together with an excerpt from the minutes of said meeting showing the adoption thereof, as same appears of record in the official minutes of said Commissioners Court on file in my office.

I further certify that written notice of the date, hour, place and subject of the meeting of the Commissioners Court of Harris County, Texas, acting for and in behalf of the Harris County Flood Control District, at which the foregoing Order was adopted, was posted at a place convenient to the public in the administrative office of the Harris County Flood Control District and readily accessible to the general public for at least seventy-two (72) hours preceding the scheduled time of said meeting, and also furnished to the County Clerk of the County in which the District is located, and that the said County Clerk posted the notice on a bulletin board located at a place convenient to the public in the County Courthouse and readily accessible to the general public at all times for at least seventy-two (72) hours preceding the scheduled time of said meeting, pursuant to TEX. REV. CIV. STAT. ANN. art. 6252-17, as amended.

WITNESS MY HAND AND THE OFFICIAL SEAL OF SAID COURT, this the 9th day of October, 1990.

ANITA RODEHEAVER, County Clerk and
Ex Officio Clerk of the Commissioners
Court of Harris County, Texas

By *Kevin M. ...*
Deputy

(COM. CT. SEAL)

EXHIBIT B

CERTIFICATE OF AUTHORITY

I, Mike Driscoll, do hereby certify that I am the principal legal officer of Harris County, Texas, that the Harris County Flood Control District is a legally constituted public body with full authority and legal capability to perform the terms of the Agreement between the Department of the Army and the Harris County Flood Control District in connection with the Project, and to pay damages, if necessary, in the event of the failure to perform, in accordance with Section 221 of Public Law 91-611, and that the persons who have executed this Agreement on behalf of the Harris County Flood Control District have acted within their statutory authority.

IN WITNESS WHEREOF, I have made and executed this certification this 4th day of October, 1990.



MIKE DRISCOLL
County Attorney

EXHIBIT C

Apportionment of Estimated Project Costs by
Applying Credit pursuant to Section 104 of Public Law 99-662

	Basic Project	W/Integral Credit	Final W/External Credit
	-----	-----	-----
Non-Federal			
5% cash	\$12,196,900	\$12,196,900	\$13,800,000
LERRD	61,069,000	55,299,400	46,798,000
Construction	-	5,770,000	26,002,000
	-----	-----	-----
Subtotal	\$73,265,900	\$73,265,900	\$86,600,000
Federal			
Construction	\$170,241,100	\$164,471,100	\$162,868,000
LERRD	430,000	6,200,000	26,432,000
	-----	-----	-----
	\$170,671,100	\$170,671,100	\$189,300,000
Total Project Cost	\$243,937,000	\$243,937,000	\$275,900,000
Increase in Government Costs			\$ 18,628,900
Cost of compatible integral local construction:			\$ 5,770,000
Cost of compatible external local construction:			31,963,000

Total cost of compatible local construction:			\$37,733,000
Cost of associated lands, easements, rights-of-way, relocations and disposal areas (LERRD):			-11,731,000

Available Construction Credit:			\$26,002,000

CERTIFICATION OF LEGAL REVIEW

The Local Cooperation Agreement for Sims Bayou has been fully reviewed by the Office of Counsel, USAED, Galveston.

Frances S. Higgins
FRANCES S. HIGGINS
District Counsel

CERTIFICATION REGARDING LOBBYING

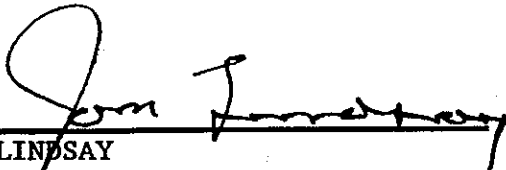
The undersigned certifies, to the best of his or her knowledge and belief that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any 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 modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transition was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.



JON LINDSAY
County Judge
Harris County, Texas

October 9, 1990
DATE