

Work Order #2
To
Project Management Services Agreement

Work Order Effective Date: January 1, 2025

This Work Order #2 is attached to and forms part of the Project Management Services Agreement, dated as of **October 2, 2023**, by and between **County of Galveston, TX** (“Client”) and Turner & Townsend Heery, LLC (“HEERY”) (as it may be amended, the “Agreement”). Capitalized terms used in this Work Order without definition that are defined in the Agreement shall have the meanings set forth therein.

This Work Order shall be governed by and construed in accordance with the laws described in the Agreement unless amended for this Work Order below.

This Work Order shall be governed by and construed in accordance with the laws of the State of **Texas** without regard to conflicts of laws principles.

1. Project Description. For purposes of this Work Order, the Project shall be as described below, which shall be the Project for purposes of this Work Order:

Mental Health Wellness Center located in La Marque, TX

2. Target Completion Date and Schedule. The target completion date for the Project is **June 30, 2025**, and the Schedule is as described below:

January 1, 2025, through June 30, 2025

3. Specific Duties. In providing the Services, HEERY shall have the duties as defined in Exhibit 1 – Scope of Services attached hereto with respect to the Project.

4. Project Management Services Fees. As compensation for the performance of the Services in connection with the Project, Client shall pay to HEERY a fee as set forth in Exhibit 2 – Compensation for Services attached hereto. The project management fee shall be equitably adjusted if the Services extend beyond the scheduled completion date of the Project, or if the originally contemplated scope of Services is materially increased.

5. Variable Services and Fees. Client and HEERY may agree that HEERY will provide additional variable services and resources and will compensate HEERY based on actual hours spent by HEERY personnel on such services utilizing the hourly rate schedule below:

Title	Rate per Hour
Project Executive	\$ 260.00
Senior Project Manager	\$ 191.50
Project Manager	\$ 155.00

6. Sales and Use Taxes. Client will pay any sales, use, gross receipts, value-added or other consumption-based taxes with respect to any goods and services provided to Client by HEERY or any subcontractor or any goods or services procured by HEERY as Client’s agent or for the benefit of Client. Client shall retain the right to contest any such taxes assessed against Client.

7. Reimbursable Items. Client shall reimburse HEERY for all costs, expenses and charges of HEERY in connection with the Services, as approved by Client individually or as included in an approved reimbursable budget, and will include the following expenses: reproduction of drawings; messenger service; conference calling service charges; overnight delivery; travel (mileage) to locations other than the Project

jobsite, including consultant offices or other Project related travel, long distance travel, lodging and meals when pre-approved by Client; subcontractor fees and expenses without mark-up; parking; sales and use taxes and, if applicable, value added taxes paid on behalf of Client; freight and shipping costs paid on behalf of Client; and any specific non-recurring charges directly attributable to the Project and approved by Client.


8. Timing. All sums due to HEERY from Client under this Work Order shall be paid within thirty (30) days following receipt of an invoice from HEERY. Client's obligation to pay or reimburse HEERY as provided in this Work Order shall survive the expiration or termination hereof. All payments to HEERY hereunder shall be made in the amounts then due and without set-off. If HEERY is responsible for payment of Construction Professionals on Client's behalf, HEERY shall not be liable for making payments late or failing to make payments to Construction Professionals (i) if so directed by Client, (ii) if Client fails to provide sufficient funds to pay Construction Professionals, or (iii) if Client is in default of its payment obligations under this Agreement, and Client shall indemnify, defend and hold harmless HEERY against any and all Claims that HEERY may incur as a result thereof.

IN WITNESS WHEREOF, the Parties have executed this Work Order effective as of the date first above written.

COUNTY OF GALVESTON COUNTY, TEXAS

By: 
Name: **Mark Henry**
Title: **County Judge** **January 17, 2025**

TURNER & TOWNSEND HEERY, LLC

By: 
Name: Christopher Fields
Title: Senior Vice President

TURNER & TOWNSEND HEERY, LLC


By: 
Name: **Robert Chomiak**
Title: Executive Vice President

EXHIBIT 1

SCOPE OF SERVICES

HEERY will assist Client with the Project. The Services consist of those described below and include usual and customary Project coordination and administration of the Construction Contract.

Preliminary Services:

- Review Facility Condition Assessment and Recommendations.
- Review (if available) HazMat survey of existing facility.
- Establish (jointly with Owner and Architect) final scope and phasing of work.
- Set up Project budget and cash flow and incorporate PM Software, if any.
- Establish master project schedule, incorporating design, construction, occupancy, and closeout.
- Recommend consultants (including the evaluation of contractors) for the Project, draft RFP/Qs, coordinating the process for selection, reviewing, analyzing, and negotiating proposed contracts for execution by Owner, if requested.

Design Phase Services:

- Management of Owner's consultants including architecture, engineering, geotechnical testing, environmental, material testing, civil, surveyor, commissioning, etc.
- Finalize overall Project Management Plan and communications procedures, providing a budget and milestone schedule. Include within, construction feasibility, local labor conditions, material shortages, long lead items, and building industry standards.
- Organize and develop a milestone schedule, including the planning phase, design durations, permitting, governmental approvals, third-party contractors, owner-supplied items, and all critical items.
- Work with Owner to develop a master budget by category of soft costs and hard costs; and monitor budgets by category (i.e., design, construction, equipment, relocation expenses, FF&E, etc.).
- Assist the design team to develop, create, and review the design and construction documents that reflect the Parties' requirements.
- Monitor the overall design process; advise Parties on design, construction, and occupancy sequencing, phasing these activities to ensure maximum efficiency; monitor the design of the Project for constructability.
- Establish a budget pricing mechanism to verify Project objectives are accomplished; and evaluate opportunities to reduce costs.
- Coordinate with the architects for finalization and approval of drawings and specifications.
- Monitor permitting progress and advise parties on necessary documentation or responses necessary to meet permitting requirements within Project timelines.
- Assess constructability and suitability of Design based on Client established requirements and other similar facilities.
- As the Architect progresses with the preparation of the Schematic Design, Design Development and Construction Documents, provide estimates of the Cost of the Work of increasing detail and refinement. Confirm appropriate contingencies for design, bidding or negotiating, price escalation and market conditions in the estimates of the Cost of the Work. Advise Owner and Architect if it appears the Cost of the Work may exceed the Owner's budget and make recommendations for corrective action.
- Assist Owner and Architect in preparation of bid documents and provide recommendations for evaluation of bids, including proposed alternates and Owner allowances.

Construction Oversight and Management:

- Manage the Work of the GC; “Work” defined as construction or services necessary or incidental to fulfill the contractor’s obligations pursuant to its agreement with the Owner.
- Meet strict budget requirements; identify and aggressively pursue cost-saving opportunities. Review constructability items, challenge change orders, negotiate project costs, and proactively mitigate risks to protect Owner’s financial interest. Develop cash flow reports and forecasts for the Project.
- Require construction team to maintain an on-site record-keeping system which will be sufficient in detail to satisfy an audit by Owner.
- Monitor and advise regarding project schedules provided by the Contractor and/or other Vendors against the Master Project Schedule and milestones.
- Recommend and manage necessary or desirable change orders.
- Coordination of Furniture, Fixtures & Equipment provided by Owner.
- Signage coordination, including wayfinding, branding, and marketing support.
- Schedule and conduct meetings to discuss such matters as procedures, progress, coordination, and scheduling of the Work
- Coordinate work with the activities and responsibilities of the Owner, Architect, and Consultants to ensure work is being completed in accordance with contract documents.
- Frequent Project site visits, at least once/week during construction, increasing as necessary based on status and schedule of critical work activities.
- Periodically report progress and status of Project to Owner.
- Provide administrative, management, and related services to coordinate scheduled activities, and responsibilities of the Contractor(s), with those of the Project Manager, Owner, and Architect.

Post-Construction Closeout Services:

- Coordinate the preparation of punch list indicating any outstanding work and require that these items be completed in an expeditious manner.
- Coordinate efforts by all appropriate parties to complete the punch list items identified by the Architect, Contractor, and Owner.
- Coordinate all required inspections and approvals necessary to permit occupancy; Final Completion.
- Arrange for the delivery, storage, protection and security of Client-purchased Project materials, systems and equipment until such items incorporated into the Work.
- Observe, with Client’s maintenance personnel and Architect, Contractor(s) final testing and start-up of utilities, operational systems, and equipment.
- Coordinate delivery and assure completeness of all operations and maintenance manuals, warranties, guarantees, and extra stock materials. Schedule turn-over meetings, as necessary.
- Verify all claim releases required to issue final certificate of completion and final payment to the construction team, and forward to Owner.
- Provide for the close out of all agreements; prepare a final report to Owner confirming final project costs, close out information and related documentation.
- Provide support and consultation to Client regarding claims or disputes involving parties performing services and work on the Project.

EXHIBIT 2

COMPENSATION FOR SERVICES

STIPULATED SUM FEE BASIS

1. Project Management Services Fees. As compensation for the performance of Services as defined in this Work Order, Client shall make the reimbursements provided for below and shall pay to HEERY a stipulated sum equal to **\$191,574.**

2. Progress Payments. HEERY will invoice Client on a monthly basis, in a format that is agreeable to Client, based on progress of the Services towards the Target Completion Date and Schedule defined in this Work Order. The HEERY Project Management Compensation Schedule sets forth the distribution of the fees.

HEERY Project Management Compensation Schedule				
Month #	Month/Yr	Monthly Allocation	Cumulative Amt	% of Total
1	January-25	\$ 31,929.00	\$ 31,929.00	17%
2	February-25	\$ 31,929.00	\$ 63,858.00	33%
3	March-25	\$ 31,929.00	\$ 95,787.00	50%
4	April-25	\$ 31,929.00	\$ 127,716.00	67%
5	May-25	\$ 31,929.00	\$ 159,645.00	83%
6	June-25	\$ 31,929.00	\$ 191,574.00	100%
Total		\$ 191,574.00	\$ 191,574.00	100%

Revised Full Draw Schedule

DRAW SCHEDULE – GALVESTON COUNTY
Mental Health Wellness Center
October 2, 2023 - September 30, 2025

Calendar Year	ANNUAL SUBTOTAL	Month	Period	Monthly Draw	Monthly %	Cumulative Drawn	Remaining Balance
2023	\$ 83,722	Oct-23	1	\$ 27,907	4.10%	\$ 27,907	\$ 653,217
		Nov-23	2	\$ 27,907	4.10%	\$ 55,815	\$ 625,309
		Dec-23	3	\$ 27,907	4.10%	\$ 83,722	\$ 597,402
2024	\$ 366,165	Jan-24	4	\$ 27,907	4.10%	\$ 111,629	\$ 569,495
		Feb-24	5	\$ 27,907	4.10%	\$ 139,537	\$ 541,587
		Mar-24	6	\$ 31,035	4.56%	\$ 170,572	\$ 510,552
		Apr-24	7	\$ 31,035	4.56%	\$ 201,607	\$ 479,517
		May-24	8	\$ 31,035	4.56%	\$ 232,642	\$ 448,482
		Jun-24	9	\$ 31,035	4.56%	\$ 263,677	\$ 417,447
		Jul-24	10	\$ 31,035	4.56%	\$ 294,712	\$ 386,412
		Aug-24	11	\$ 31,035	4.56%	\$ 325,747	\$ 355,377
		Sep-24	12	\$ 31,035	4.56%	\$ 356,782	\$ 324,342
		Oct-24	13	\$ 31,035	4.56%	\$ 387,817	\$ 293,307
		Nov-24	14	\$ 31,035	4.56%	\$ 418,852	\$ 262,272
		Dec-24	15	\$ 31,035	4.56%	\$ 449,887	\$ 231,237
2025	\$ 231,237	Jan-25	16	\$ 31,929	4.69%	\$ 481,816	\$ 199,308
		Feb-25	17	\$ 31,929	4.69%	\$ 513,745	\$ 167,379
		Mar-25	18	\$ 31,929	4.69%	\$ 545,674	\$ 135,450
		Apr-25	19	\$ 31,929	4.69%	\$ 577,603	\$ 103,521
		May-25	20	\$ 31,929	4.69%	\$ 609,532	\$ 71,592
		Jun-25	21	\$ 31,929	4.69%	\$ 641,461	\$ 39,663
		Jul-25	22	\$ 13,221	1.94%	\$ 654,682	\$ 26,442
		Aug-25	23	\$ 13,221	1.94%	\$ 667,903	\$ 13,221
Sep-25	24	\$ 13,221	1.94%	\$ 681,124	\$ -		
TOTAL	\$ 681,124			\$ 681,124	100.00%	\$ 681,124	\$ -