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3-09-09

Steve De La Garza
Hidalgo County CDBG Program
Pharr, Texas

Dear Steve,

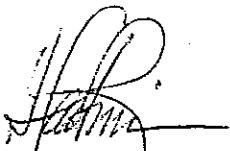
I am glad this project is finally coming to fruition. We have spent an awful lot of time on this project. It has almost become a "pro-bono" project. I am sure the owner is glad it is finally going to get done.

After reviewing the engineer's report and new specifications, the following is the work that will need to occur before the foundation work is initiated:

- Re-direct water line to property owner's current living quarters
- Remove two trees on site and dispose of tree trunks
- Remove/demolish cistern and haul off concrete debris
- Remove concrete pad (30' x 8') and haul off concrete
- Remove existing dirt pad and haul off dirt
- Prepare pad area, per specifications, for delivery and compaction of new dirt
- Haul in dirt and compact dirt per specifications
- When house is almost completed longer ramp as per specifications
- Construct railing to ramp
- Add a small concrete pad for outside A/C unit
- Because of slope around house, we are recommending bringing in top soil and hydro mulching around house to control erosion. This is not in the specifications.

The cost for the above mentioned work will be \$29,950. I want to emphasize two things. One, this is not a normal situation where engineering specification must be followed to construct a small house. Two, the cost to remove dirt and the compaction stage of the new pad is a major part of this project. Again, these are not normal items in constructing similar homes.

We are will wait for your notice to proceed.

A handwritten signature in black ink, appearing to be 'H. R. Incones', written over a horizontal line.