

May 1, 2012

Ms. Marty Salazar
Hidalgo County Purchasing
2802 S. Business Hwy. 281
Edinburg, Texas 78539

RE: FM 493 South, Work Authorization No. 2
Subcontractor: SAM Engineering and Surveying, Inc.

Dear Ms. Salazar,

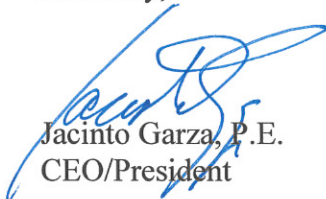
We are aware of the concerns recently expressed by the Auditor's office concerning the explanation of payment for the use of SAM Engineering and Surveying, Inc. to complete the Design Surveys and the ROW Mapping task for the FM 493 South project (US 281 Military Highway to Business 83). Below we are providing an explanation of how we will be paying said subcontractor for said services:

- As per Work Authorization No. 2, **FC 13010 – Right of Way Mapping / Sub**, we have charged 65% to date. We will use the remaining 35% to pay SAM Engineering for the needed services to complete this task.
- As per Work Authorization No. 2, **FC 15010 – Design Surveys/Sub**, we have charged 95% to date. We will use the remaining 5% to pay SAM Engineering for the needed services to complete this task.

L&G Engineering has terminated the Contract/Work Authorization with J.E. Saenz & Associates, Inc. (see letter attached). L&G Engineering is requesting approval from the County, so that we may proceed in contracting with SAM Engineering and Surveying, Inc. for the completion of the unfinished tasks described above.

Should you have any questions, please feel free to give me a call at 956-565-9813.

Sincerely,



Jacinto Garza, P.E.
CEO/President

Attachments

cc: The Honorable, Joel Quintanilla, Hidalgo County Commissioner Precinct No. 1

April 11, 2012

Jose "Eddie" Saenz, P.E.
J.E. Saenz & Associates, Inc.
211 E. Wisconsin Road
Edinburg, Texas 78539

Re: FM 493 South – Contract and Work Authorization No. 2
(Limits: US 281 (Military Highway) North 6.65 Miles to Business 83)

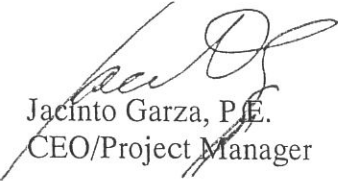
Dear Mr. Saenz:

As discussed and effective immediately, the above referenced Contract and Work Authorization No. 2 between J.E. Saenz & Associates and L&G Engineering (*attached*) for the FM 493 South project is hereby terminated. You have completed and invoiced 65% of the Right-of-Way Map which has been submitted to and accepted by L&G Engineering.

We will no longer be utilizing your services to complete the map.

Should you have any questions regarding this matter, please do not hesitate to call us.

Sincerely,



Jacinto Garza, P.E.
CEO/Project Manager

cc: The Honorable Joel Quintanilla, Hidalgo County Commissioner, Pct. #1