AIA® Document G701™ – 2001

Change Order

PROJECT: *(Name and address)* Pct 1 Constable Building Weslaco, Texas	**CHANGE ORDER NUMBER:** 003 **DATE:** July 01, 2013 **ARCHITECT'S PROJECT NUMBER:**	OWNER ☒ ARCHITECT ☒ CONTRACTOR ☒ FIELD ☐ OTHER ☐
TO CONTRACTOR: *(Name and address)* Holchemont, LTD 900 N Main Street McAllen, Texas 78501	**CONTRACT DATE:** July 24, 2012 **CONTRACT FOR:** General Construction	

The Contract is changed as follows:
(Include, where applicable, any undisputed amount attributable to previously executed Construction Change Directives.)

SEE ATTACHED SUMMARY OF CHANGE ORDER NO. 003

The original (Contract Sum) was	$	724,000.00
The net change by previously authorized Change Orders	$	47,697.86
The (Contract Sum) prior to this Change Order was	$	771,697.86
The (Contract Sum) will be (increased) (by this Change Order in the amount of	$	28,430.33
The new (Contract Sum) , including this Change Order, will be	$	800,128.19

The Contract Time will be (increased) by TWENTY SEVEN (27) days.

The date of Substantial Completion as of the date of this Change Order, therefore, is extended.

(NOTE: This Change Order does not include changes in the Contract Sum, Contract Time or Guaranteed Maximum Price that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.)

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

Alcocer Garcia Associates, Inc. **ARCHITECT** *(Firm name)*	Holchemont, LTD **CONTRACTOR** *(Firm name)*	County of Hidalgo, Texas **OWNER** *(Firm name)*
1333 E. Jasmine McAllen, Texas 78501 **ADDRESS**	900 N. Main Street McAllen, Texas 78501 **ADDRESS**	2802 S. Business Hwy 281 Edinburg, Texas 78539 **ADDRESS**
George A Garcia **BY** *(Signature)*	 **BY** *(Signature)*	Ramon Garcia **BY** *(Signature)*
George A. Garcia *(Typed name)*	Michael Montalvo *(Typed name)*	Ramon Garcia, County Judge *(Typed name)*
7-5-13 **DATE**	06 JUL 13 **DATE**	**DATE** Approved by Commissioners' Court on 7/17/13

AIA Document G701™ – 2001. Copyright © 1979, 1987, 2000 and 2001 by The American Institute of Architects. **All rights reserved.** WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was created on 07/02/2013 12:59:42 under the terms of AIA Documents-on-Demand™ order no. 2008616265 , and is not for resale. This document is licensed by The American Institute of Architects for one-time use only, and may not be reproduced prior to its completion.

SUMMARY OF CHANGE ORDER NO.3

PROJECT : Hidalgo County Precinct 1 Constable's Office Building, Weslaco, Texas
CONTRACTOR: Holchemont, LTD

Provide labor, material and equipment for the following work items :

1. Extend fire LIne and FDC..... $ 23,331.00
2. Install additional ceramic tile at Restrooms 102, 103, 113,116, & 134 .... 686.35
3. Install bracing and front entry porch..... 10,226.87

Total cost..... $ 34,244.22
Less total of Allowances amounts applied by his Change Order..... 5,813.89
Increase in Construction Contract by this Change Order..... $ 28,430.33

Attachments:
Item 1. Contractor's Cost Proposal / quantities..... 2 pages
Item 2. Contractor's Cost Proposal & drawing..... 2 pages
Item 3. Contractor's Cost Proposal, engineer's drawings and architect's letter...8 pages

Balances of Allowances in Construction Contract:
Betterment Allowance.....$ 3,013.89 ******** This amount is hereby corrected. It was erroneously shown on Change Order 2 as $ 3,313.89 for the balance of the Betterment Allowance after Change Order No. 2.
Water Line Extension Allowance..... 2,800.00
Total..... $ 5,813.89

This Change Order applies the following Allowance amounts to the cost of above changes as follows:
Reduce Betterment Allowance by.....$ 3,013.89
Reduce Water Line Extension Allowance by.. 2,800.00
Total Reduction in Allowances.... $ 5,813.89

Allowances Balances after this Change Order:
Betterment Allowance.....$ 0.00
Water Line Extension Allowance.....$ 0.00

Holchemont, Ltd.
900 N. Main St.
McAllen, TX 78501
Ph : (956) 686-2901

Change Request

To: George Garcia
Alcocer Garcia Associates
1333 East Jasmine Avenue
McAllen, TX 78501
Ph: (956)618-2007 Fax: (956)618-2008

Number: 7
Date: 1/25/13
Job: 1207-PCT-19 Hid Co Pct 1 Constable Office
Phone:

Description: RFP 007 Extend Fire Line and FDC

We are pleased to offer the following specifications and pricing to make the following changes:

1. Backflow Preventer Material

   $5,250.00

2. Underground Fire Line Pipe

   $2,250.00

3. Knox: Caps for FDC & Box

   $750.00

4. Tapping Sleeve, Valve, and Box

   $1,500.00

5. Back Hoe, Fuel, etc.

   $1,600.00

6. Hydrostatic Test

   $1,750.00

7. Backflow Certification

   $500.00

8. Engineering

   $1,000.00

9. Fire Marshal Review and Fees

   $300.00

10. ISO Review and Fees

    $400.00

11. Labor

    $4,900

11. P & PB

    $505.00

Holchemont, Ltd.
900 N. Main St.
McAllen, TX 78501
Ph : (956) 686-2901

12. GC OH & P

$2,020.00

13. General Conditions

$606.00

The total amount to provide this work is $23,331.00

Please note that Holchemont, Ltd. will require an extra 14 days.

If you have any questions, please contact me at (956)686-2901.

Submitted by: Michael C. Montalvo
Holchemont Ltd.

Approved by: _____
Date: _____

Cc:

Holchemont, Ltd.
900 N. Main St.
McAllen, TX 78501
Ph : (956) 686-2901

Change Request

To: George Garcia
Alcocer Garcia Associates
1333 East Jasmine Avenue
McAllen, TX 78501
Ph: (956)618-2007 Fax: (956)618-2008

Number: 13
Date: 6/11/13
Job: 1207-PCT-19 Hid Co Pct 1 Constable Office
Phone:

Description: Additional RR Tile

We are pleased to offer the following specifications and pricing to make the following changes:

Additional 73 sf 4x4 wall tile @ RR 102, 103, 113, 116 & 134
Interceramic IC Brites Almond wall field tile
Interceramic IC Brites Taupe accent wall tile & base

The total amount to provide this work is $686.35

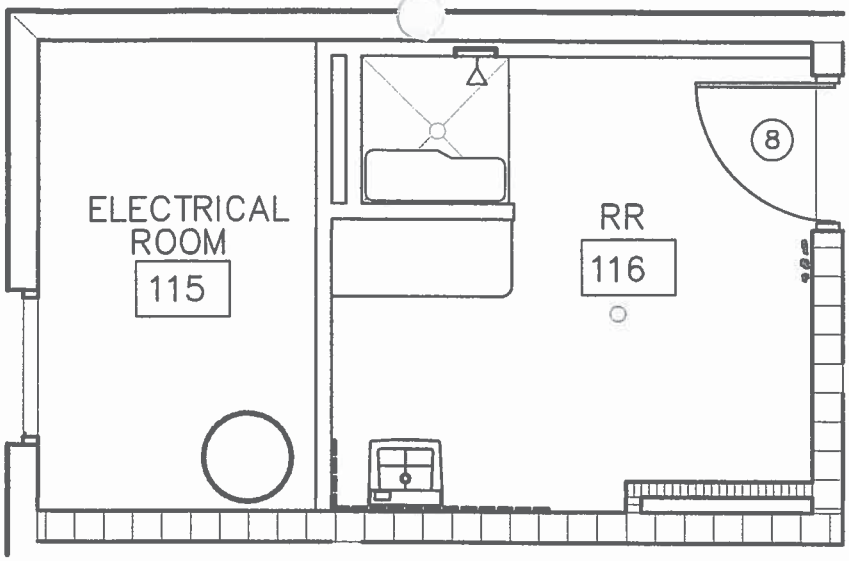
Please note that Holchemont, Ltd. will require an extra 3 days.

If you have any questions, please contact me at (956)686-2901.

Submitted by: Michael C. Montalvo
Holchemont Ltd.

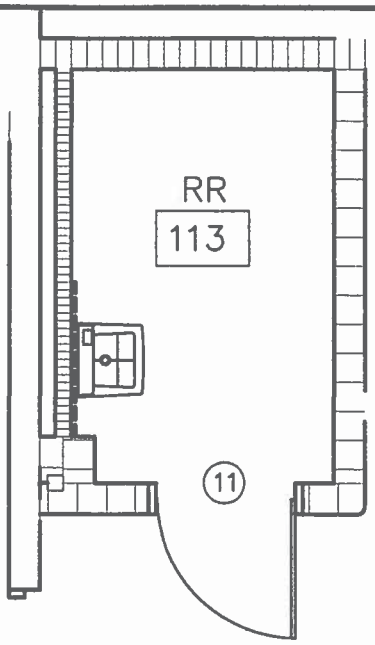
Approved by: _____
Date: _____

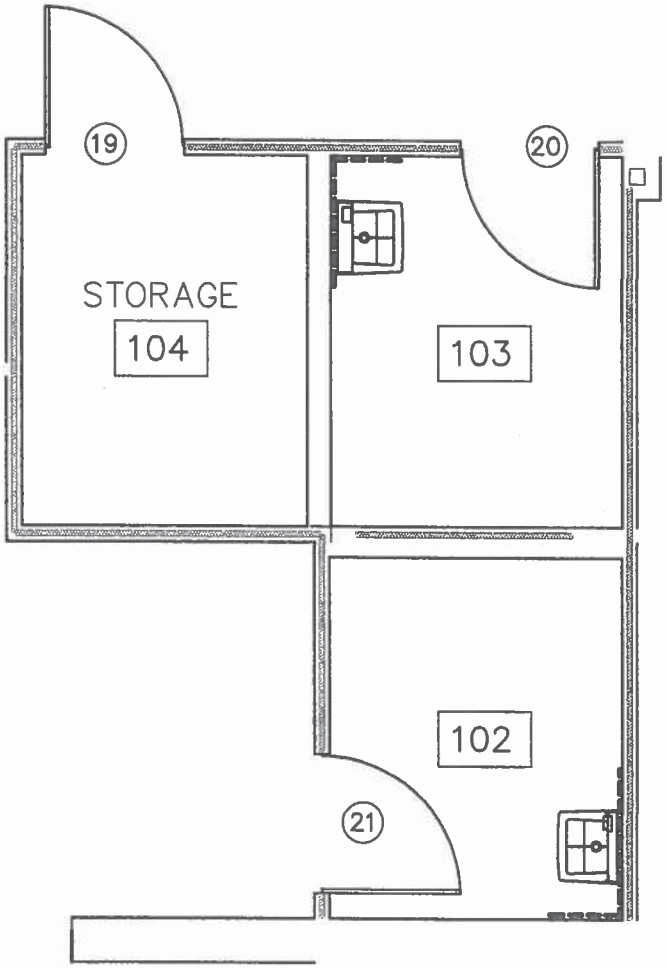
Cc:

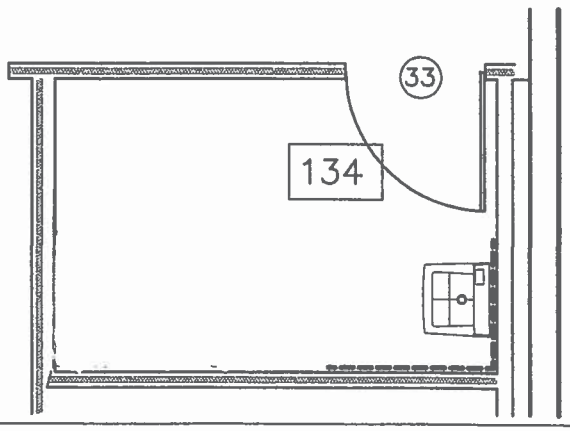


LIC. EXPIRATION DATE: 8-31-13'

---- INDICATES ADDITIONAL TILE TO HEIGHT OF EXISTING.







CONSTABLES OFFICE BUILDING
HIDALGO COUNTY PCT 1

EXTRA CERAMIC WALL TILE LOCATIONS

PART OF CHANGE ORDER NO. 3

Alcócer García Associates, inc.
1333 E. Jasmine Ave.
McAllen, Texas 78501
Office: 956.618.2007
Fax: 956.618.2008

AGA

JUNE 6, 2013

Holchemont, Ltd.
900 N. Main St.
McAllen, TX 78501
Ph : (956) 686-2901

Change Request

To: George Garcia
Alcocer Garcia Associates
1333 East Jasmine Avenue
McAllen, TX 78501
Ph: (956)618-2007 Fax: (956)618-2008

Number: 12
Date: 5/14/13
Job: 1207-PCT-19 Hid Co Pct 1 Constable Office
Phone:

Description: Structural Changes to front Porch

We are pleased to offer the following specifications and pricing to make the following changes:

Changes based on drawing provided by Hinijosa Engineering.

Demolition/Rubbish Removal
Materials
Labor

General Conditions
Payment & Performance Bonds

GC Fee

The total amount to provide this work is $10,226.87

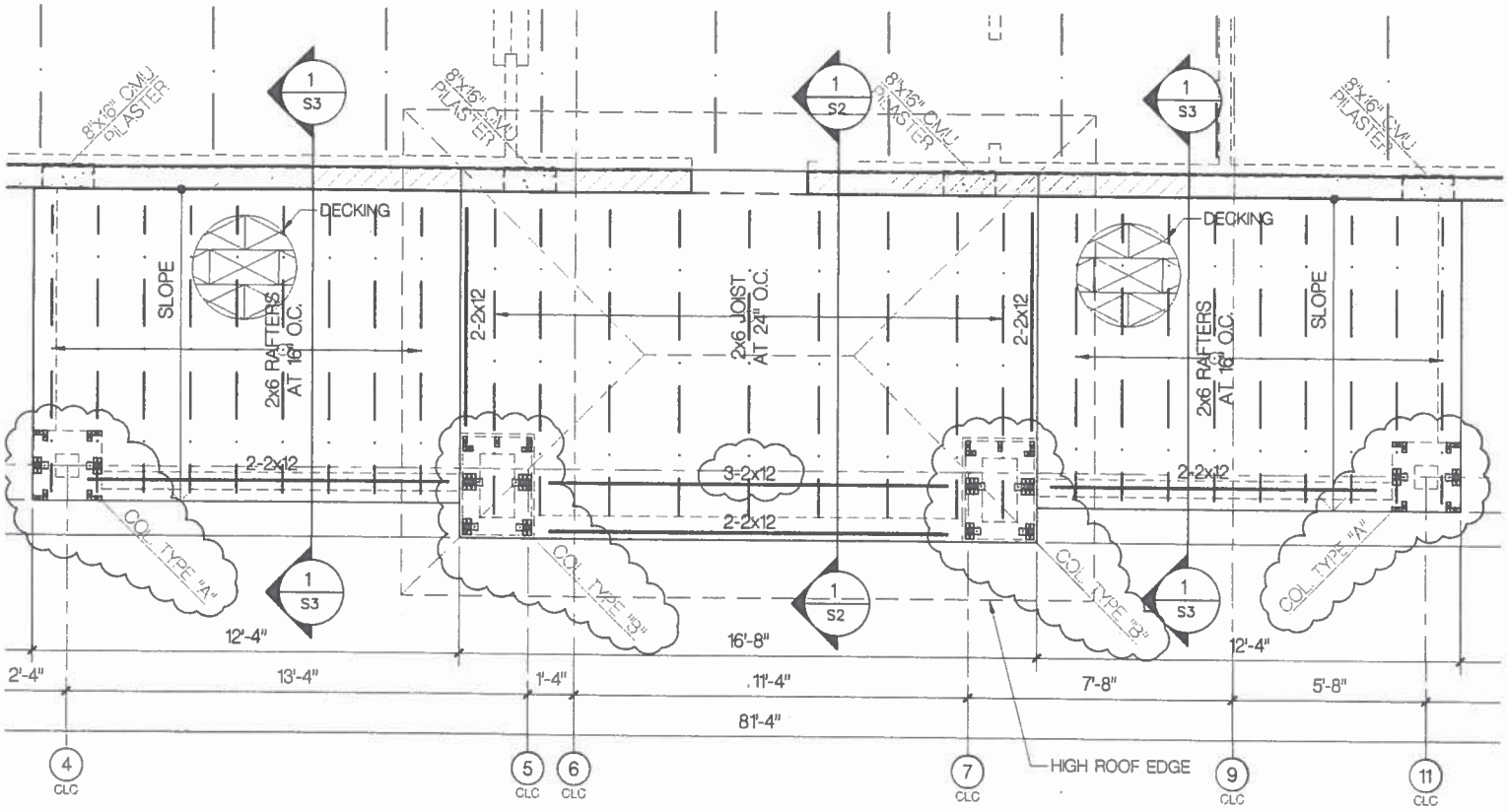
Please note that Holchemont, Ltd. will require an extra +10.

If you have any questions, please contact me at (956)686-2901.

Submitted by: Michael C. Montalvo
Holchemont Ltd.

Approved by: _____
Date: _____

Cc:



5-09-13

STATE OF TEXAS
W.R.HINOJOSA
65228
REGISTERED PROFESSIONAL ENGINEER

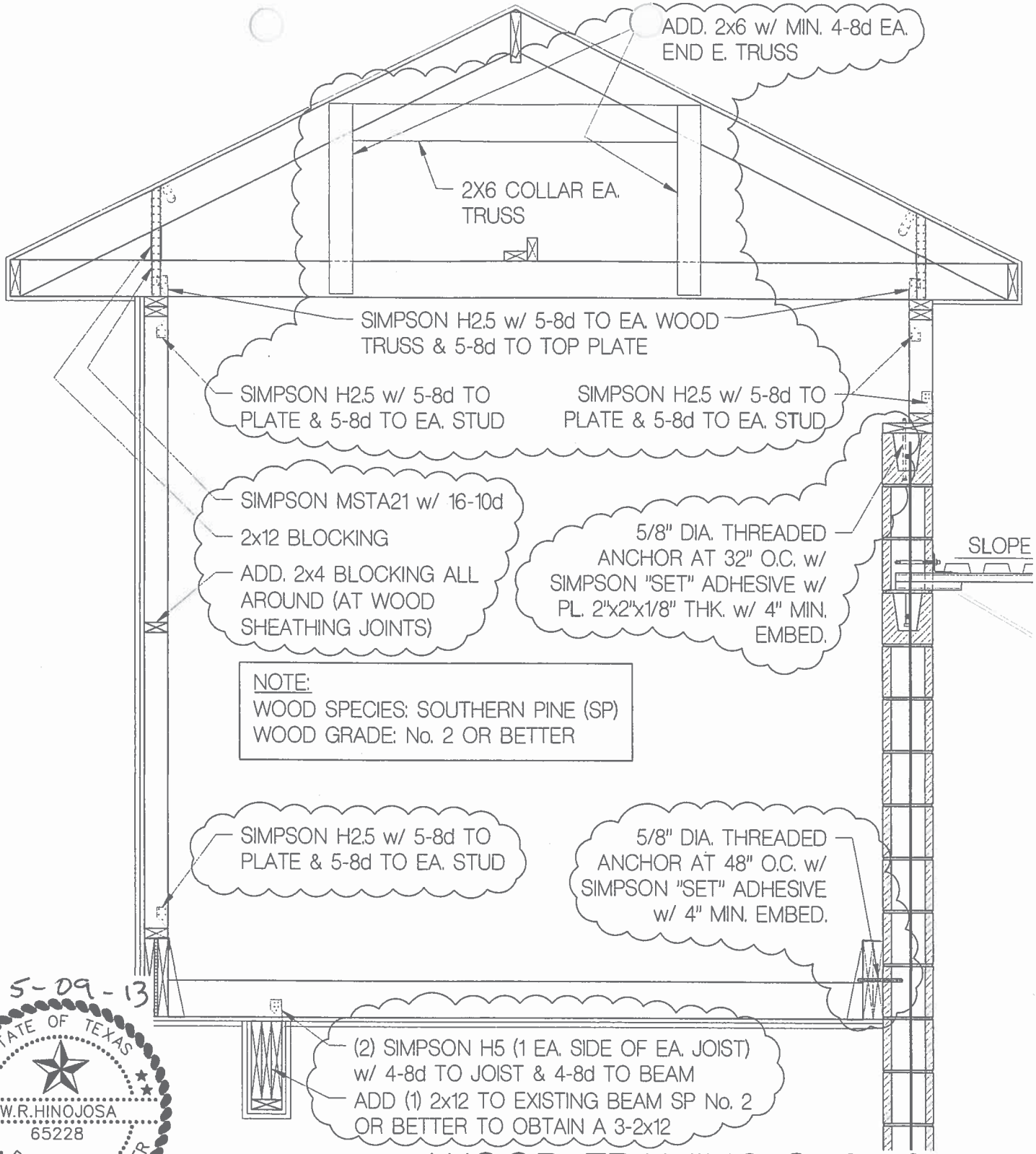
THE SEAL APPEARING ON THIS DOCUMENT WAS AUTHORIZED BY W.R. HINOJOSA P.E. 65228 DATED 05-09-13

1 FRAMING PLAN

SCALE : 3/16"=1'-0"

HINOJOSA ENGINEERING, INC.
STRUCTURAL ENGINEERING
CIVIL ENGINEERING • LAND SURVEYING
108 W. 18TH ST. MISSION, TEXAS
(956) 581-0143 FAX: (956) 581-2074
E-MAIL: HinojosaEnginc@aol.com
REGISTRATION NUMBER: F-908 EXPIRATION DATE: 09/30/2013

Project No. : 11-187
Project : IMPROVEMENTS TO FACILITIES
Drawing: - FRAMING PLAN S1
Date : MAY 9, 2013



5-09-13

STATE OF TEXAS
W.R.HINOJOSA
65228
REGISTERED PROFESSIONAL ENGINEER

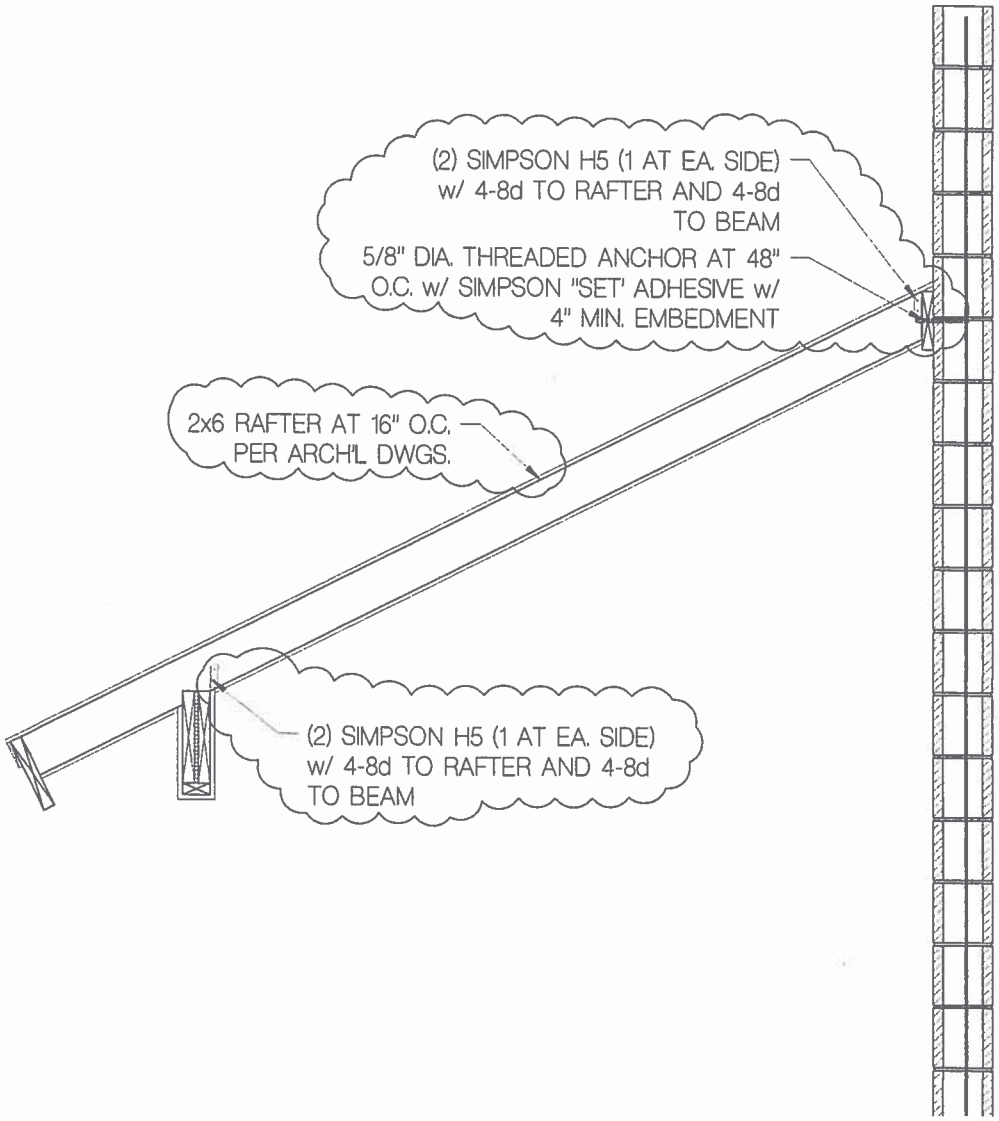
THE SEAL APPEARING ON THIS DOCUMENT WAS AUTHORIZED BY W.R. HINOJOSA P.E. 65228 DATED 05-09-13

1 WOOD FRAMING SECTION

SCALE : N.T.S.

HINOJOSA ENGINEERING, INC.
STRUCTURAL ENGINEERING
CIVIL ENGINEERING • LAND SURVEYING
108 W. 18TH ST. MISSION, TEXAS
(956) 581-0143 FAX: (956) 581-2074
E-MAIL: HinojosaEngInc@aol.com
REGISTRATION NUMBER: F-908 EXPIRATION DATE: 09/30/2013

Project No. : 11-187
Project : IMPROVEMENTS TO FACILITIES
Drawing: - FRAMING DETAILS S2
Date : MAY 9, 2013



5-09-13

STATE OF TEXAS
W.R.HINOJOSA
65228
REGISTERED PROFESSIONAL ENGINEER

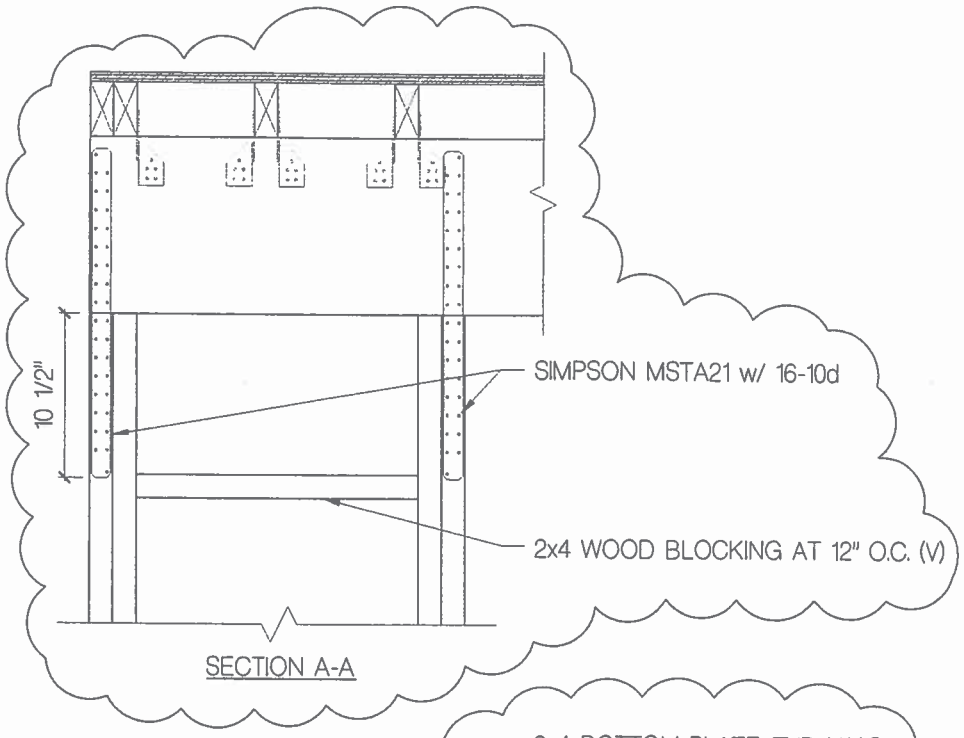
THE SEAL APPEARING ON THIS DOCUMENT WAS AUTHORIZED BY W.R. HINOJOSA P.E. 65228 DATED 05-09-13

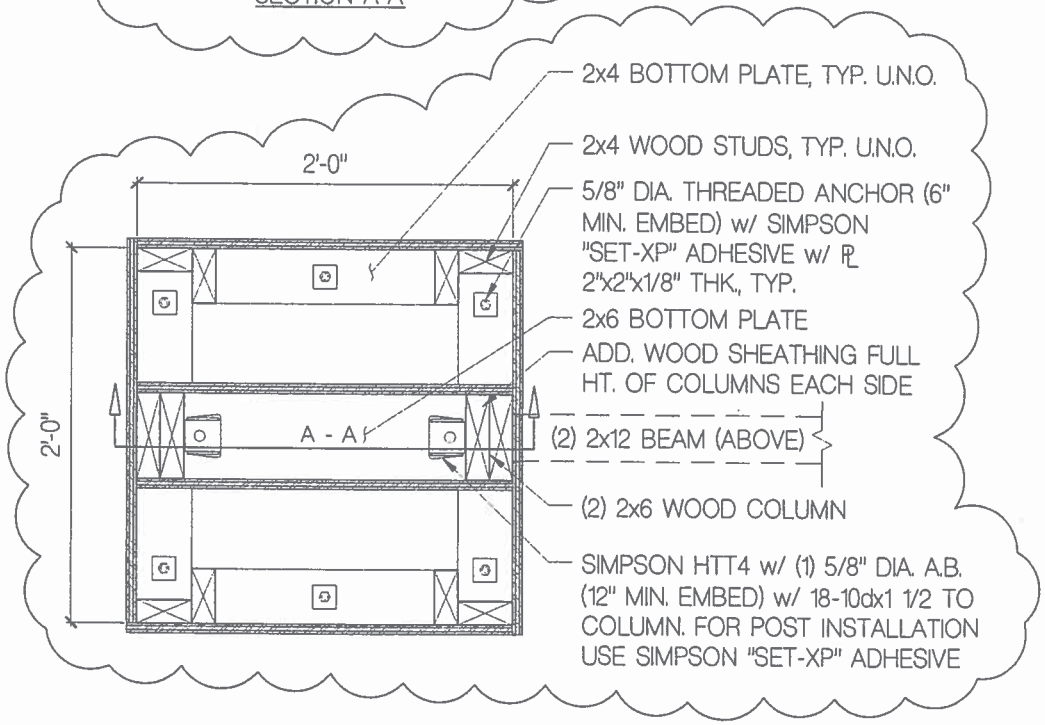
1 WOOD FRAMING SECTION

SCALE : 1/2"=1'-0"

HINOJOSA ENGINEERING, INC.
STRUCTURAL ENGINEERING
CIVIL ENGINEERING • LAND SURVEYING
108 W. 18TH ST. MISSION, TEXAS
(956) 581-0143 FAX: (956) 581-2074
E-MAIL: HinojosaEngInc@aol.com
REGISTRATION NUMBER: F-908 EXPIRATION DATE: 09/30/2013

Project No. : 11-187
Project : IMPROVEMENTS TO FACILITIES
Drawing: - FRAMING DETAILS S3
Date : MAY 9, 2013





5-09-13

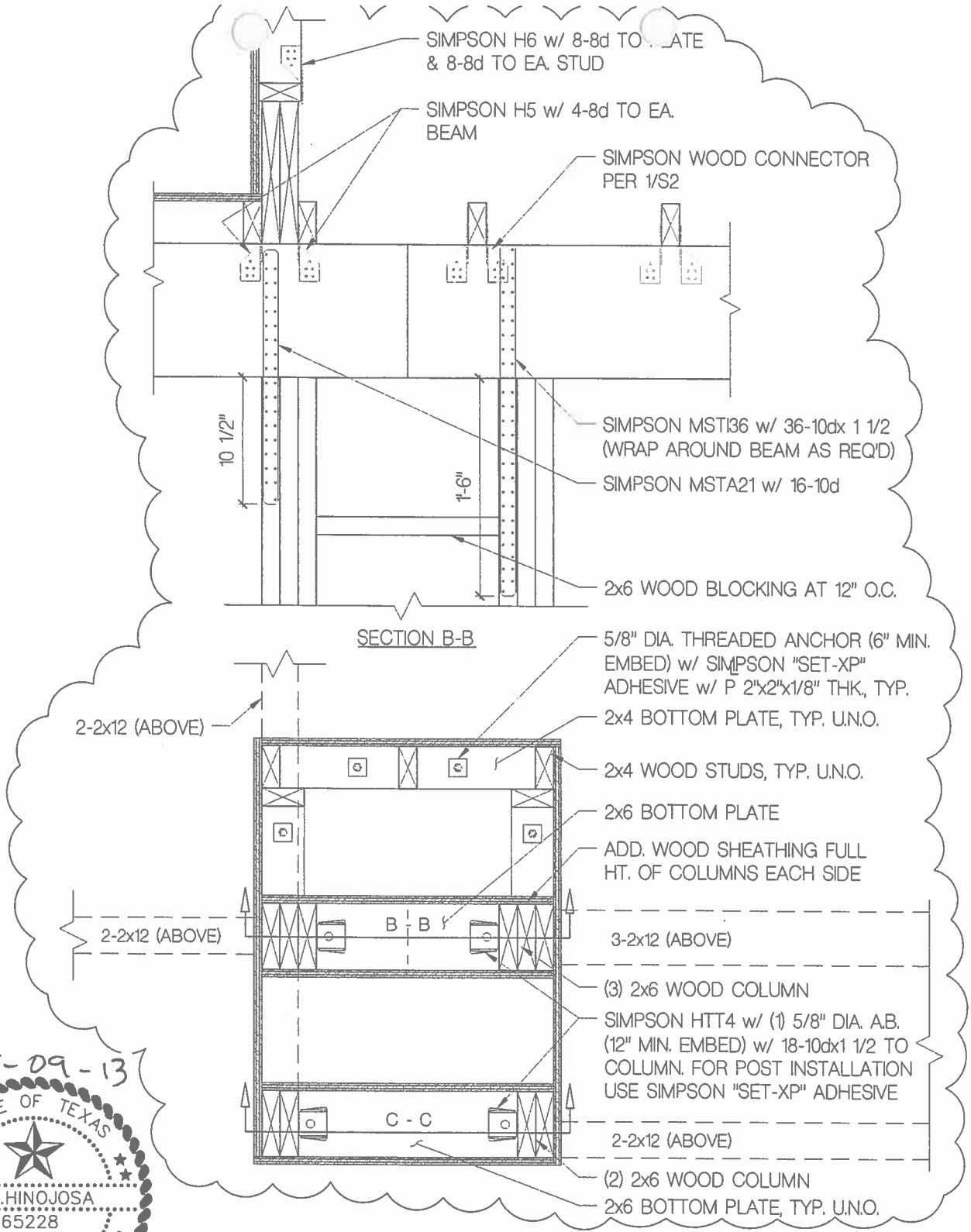
STATE OF TEXAS
W.R.HINOJOSA
65228
REGISTERED PROFESSIONAL ENGINEER

THE SEAL APPEARING ON THIS DOCUMENT WAS AUTHORIZED BY W.R. HINOJOSA P.E. 65228 DATED 05-09-13

1 COLUMN TYPE "A"
SCALE : 1"=1'-0"

HINOJOSA ENGINEERING, INC.
STRUCTURAL ENGINEERING
CIVIL ENGINEERING • LAND SURVEYING
108 W. 18TH ST. MISSION, TEXAS
(956) 581-0143 FAX: (956) 581-2074
E-MAIL: HinojosaEnginc@aol.com
REGISTRATION NUMBER: F-908 EXPIRATION DATE: 09/30/2013

Project No. : 11-187
Project : IMPROVEMENTS TO FACILITIES
Drawing: - FRAMING DETAILS S4
Date : MAY 9, 2013



5-09-13

STATE OF TEXAS
W.R.HINOJOSA
65228
REGISTERED PROFESSIONAL ENGINEER

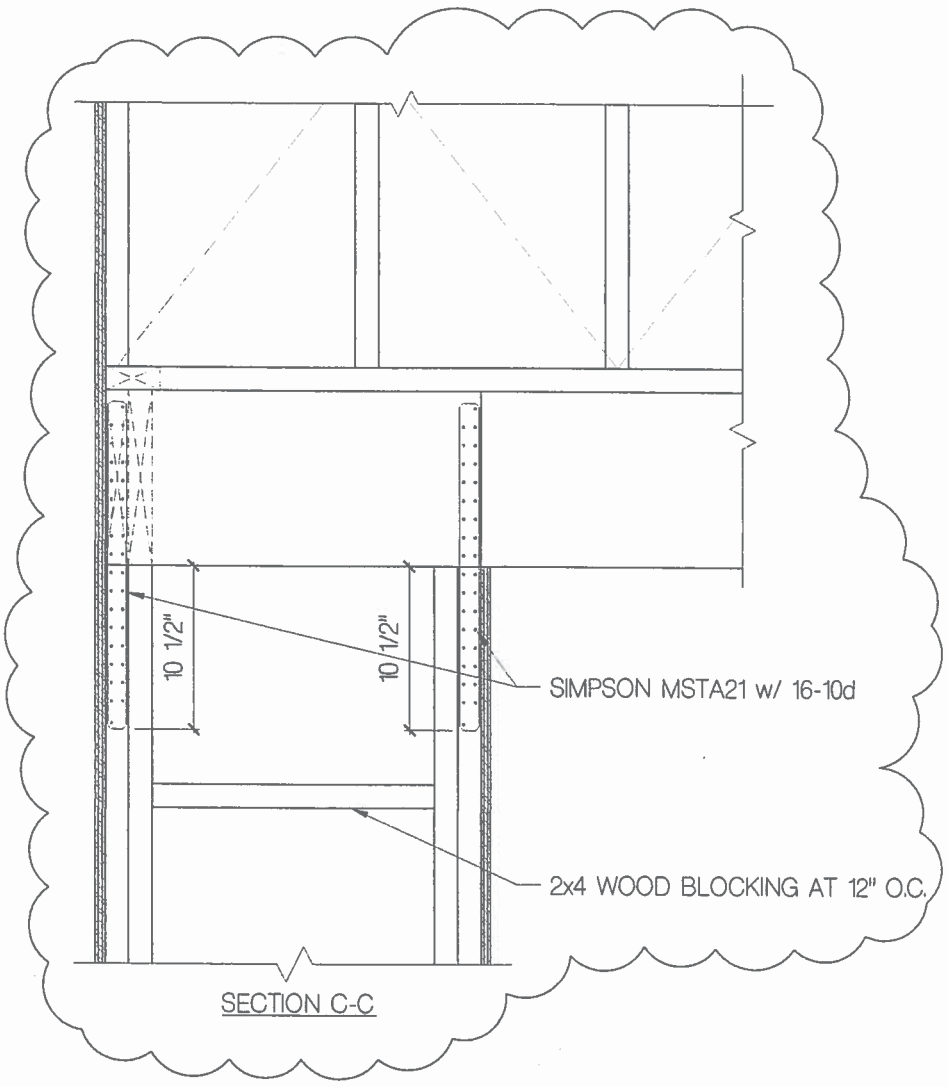
THE SEAL APPEARING ON THIS DOCUMENT WAS AUTHORIZED BY W.R. HINOJOSA P.E. 65228 DATED 05-09-13

1 COLUMN TYPE "B"

SCALE : 1"=1'-0"

HINOJOSA ENGINEERING, INC.
STRUCTURAL ENGINEERING
CIVIL ENGINEERING • LAND SURVEYING
108 W. 18TH ST. MISSION, TEXAS
(956) 581-0143 FAX: (956) 581-2074
E-MAIL: HinojosaEngInc@aol.com
REGISTRATION NUMBER: F-908 EXPIRATION DATE: 09/30/2013

Project No. : 11-187
Project : IMPROVEMENTS TO FACILITIES
Drawing: - FRAMING DETAILS S5
Date : MAY 9, 2013



SECTION C-C

5-09-13

STATE OF TEXAS
W.R.HINOJOSA
65228
REGISTERED PROFESSIONAL ENGINEER

THE SEAL APPEARING ON THIS DOCUMENT WAS AUTHORIZED BY W.R. HINOJOSA P.E. 65228 DATED 05-09-13

HINOJOSA ENGINEERING, INC.
STRUCTURAL ENGINEERING
CIVIL ENGINEERING • LAND SURVEYING
108 W. 18TH ST. MISSION, TEXAS
(956) 581-0143 FAX: (956) 581-2074
E-MAIL: HinojosaEnginc@aol.com
REGISTRATION NUMBER: F-908 EXPIRATION DATE: 09/30/2013

Project No. : 11-187
Project : IMPROVEMENTS TO FACILITIES
Drawing: - FRAMING DETAILS S6
Date : MAY 9, 2013

Alcocer Garcia Associates, Inc.
1333 E. Jasmine Ave McAllen, Texas 78501 Off. 956-618-2007 Fax. 956-618-2008

July 1, 2013

Oscar Garza
Hidalgo County Purchasing Department
2802 S. Business Hwy. 281
Edinburg, TX 78539

RE: Hidalgo County Precinct 1 Constable's Building, Additional Work

Dear Mr. Garza,

This is to address questions about the additional work for the front entry porch. During an inspection, the City of Weslaco inspector requested that we provide him with further information as to the sufficiency of bracing for the porch framing. We contacted our structural engineer to study the original plans. The engineer reported that additional bracing should be added and provided the necessary drawings (attached). The City has approved the engineer's drawings.

We regret the omissions on the original drawings and also ask that the following information be considered. This is taken verbatim from AIA Best Practices, February 2012:

"Product vs. Services - Many owners have the misconception that creating a new building is the same as buying a manufactured product like an automobile, and that their buildings design should come with a warranty as do windows, roofing, etc. However, a design in not a commodity like cars or bricks and mortar. Design is performed by architects as an intangible professional service, just like any other professional service, and is subject to the same human limitations as the practice of medicine, law, aviation or accounting. Moreover, design documents are not products either-construction document drawing sand specifications are simply instruments of the architect's services, which is defined in law as intangible intellectual property.

Omissions - The big difference between an error and an omission is that he owner receives added benefit when something previously omitted is added into their project. By definition, the owner did not originally pay for anything not in the Construction Documents (on which the construction cost is based) but is later recognized as necessary and thus must be added to the contract. The legal term is 'betterment', meaning the owner of the property receives something of benefit in return for additional cost-not something for nothing. Legal principles do not allow one party to unjustly benefit at the expense of another. Although the law does not require design to be 100% perfect or documents to be wholly 'complete', design services do contractually have to be sufficient, meaning the architect should make corrections to drawings or provide details for a necessary but omitted item without additional compensation."

July 1, 2013
Oscar Garza
Hidalgo County Purchasing Department
Hidalgo County Precinct 1 Constable's Building, Additional Work

After the work is complete, we will inspect the job and certify that the work is in accordance with the engineer's drawings. Further, we acknowledge that any additional engineering fees or related services will not be charged to the County and that our A/E fee is not to include this work item as a chargeable part of the Construction Contract Amount that we base our fee on. Please be assured that the omissions were inadvertent and unintentional. Should you need any other information, please call me.

Sincerely,

George A. Garcia

George A. Garcia, Project Architect

APPROVED

AI-39699 **Purchasing Department** **24. F. 2.**
CC REGULAR
Meeting Date: 07/17/2013
Submitted For: Martha L. Salazar **Submitted By:** Oscar Garza, PURCHASING DEPT.
Department: PURCHASING DEPT.

Information

CAPTION

A. Acceptance and approval to increase original PO#680750 for Holchemont LTD. as approved by the Architect of record "Alcocer Garcia Associates" thru AIA Document G701-2001 Change Order #003 in the amount of $28,430.33 for change request as outlined in the Summary Of Change Order No. 3 to include but not limited to installation of Fire Line (FDC), installation of braceings to front porch and tile, for the continuation of construction at Pct. #1 Constable Building; and, in addition;

B. Clarification of Betterment Allowance entry on previous request of AIA Document G701-2001 Change Order #002 erroneously reflected $3,313.89 and has been changed to $3,013.89 which is the corrected amount.

BACKGROUND

Proposed Change Order will have no fiscal impact, refer to AI-39579 for decrease of SOW in the amount of $30,929.21 to H&H for proposed Fire Line installation.

Fiscal Impact

FISCAL YEAR: **ACCT. #:** 3-1342-421-00-220-042-0-XXX
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**
BUDGETARY IMPACT:
NO FISCAL IMPACT; funding to be appropriated from AI-39579 for proposed CO #3 after P.O. (#692410) liquidation has been complete. Transfer of funding to be appropriated by DBM as per Mr. Sergio Cruz.

Attachments

CO #3 backup

Form Review

Inbox	Reviewed By	Date
Purchasing Department	Marty Salazar	07/12/2013 04:24 PM
Budget & Management	Obdett Calzada	07/12/2013 04:35 PM
Merlen P. Munoz	Merlen P. Munoz	07/12/2013 05:46 PM
Auditor's Office	Monica Badillo	07/12/2013 05:55 PM

Form Started By: Oscar Garza Started On: 07/12/2013 03:02 PM

Final Approval Date: 07/12/2013

AIA® Document G701™ – 2001

Change Order

PROJECT: *(Name and address)* Pct 1 Constable Building Weslaco, Texas	**CHANGE ORDER NUMBER:** 002 **DATE:** April 17, 2013 **ARCHITECT'S PROJECT NUMBER:**	OWNER ☒ ARCHITECT ☒ CONTRACTOR ☒ FIELD ☐ OTHER ☐
TO CONTRACTOR: *(Name and address)* Hochemont, LTD 900 N Main Street McAllen, Texas 78501	**CONTRACT DATE:** July 24, 2012 **CONTRACT FOR:** General Construction	

The Contract is changed as follows:
(Include, where applicable, any undisputed amount attributable to previously executed Construction Change Directives.)

See attached Summary of Change Order No. 2

The original (Contract Sum) was	$	724,000.00
The net change by previously authorized Change Orders	$	47,697.86
The (Contract Sum) (Guaranteed Maximum Price) prior to this Change Order was	$	771,697.86
The (Contract Sum) will be (increased) (decreased) by this Change Order in the amount of	$	00.00
The new (Contract Sum) , including this Change Order, will be	$	771,697.86

The Contract Time will be (increased) (decreased) by (0) days.

The date of Substantial Completion as of the date of this Change Order, therefore, is Un-Changed

(NOTE: This Change Order does not include changes in the Contract Sum, Contract Time or Guaranteed Maximum Price that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.)

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

ARCHITECT	CONTRACTOR	OWNER
Alcocer Garcia Associates, Inc *(Firm name)*	Holchemont, LTD *(Firm name)*	County of Hidalgo, Texas *(Firm name)*
1333 E Jasmine McAllen, Texas 78501 ADDRESS	900 N Main Street McAllen, Texas 78501 ADDRESS	2802 S Business Hwy 281 Edinburg, Texas 78539 ADDRESS
George A Garcia BY *(Signature)*	BY *(Signature)*	Ramon Garcia BY *(Signature)*
George A. Garcia *(Typed name)*	Michael Montalvo *(Typed name)*	Ramon Garcia, County Judge *(Typed name)*
4-18-13 DATE	18 APR 13 DATE	5/3/13 DATE

Approved by Commissioners' Court
on 4/30/13 RO

AIA Document G701™ – 2001. Copyright © 1979, 1987, 2000 and 2001 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was created on 04/17/2013 14:33:30 under the terms of AIA Documents-on-Demand™ order no. 2008596178 , and is not for resale. This document is licensed by The American Institute of Architects for one-time use only, and may not be reproduced prior to its completion.

SUMMARY OF CHANGE ORDER NO.2

PROJECT : Hidalgo County Precinct 1 Constable's Office Building, Weslaco, Texas
CONTRACTOR: Holchemont, LTD

Provide labor, material and equipment for the following work items :

1. Reconfigure Restrooms 102,103,113, & 134 fixture locations per City/Accessibility requirements.....$ 1,391.78
2. Add steel bar restraining devices to bench in Hall 112 ..... 156.65
3. Remove electrical home-run conduits in slab to allow for partition changes. Re-route conduits above ceiling..... 437.68

Total cost..... $ 1,986.11

Attachments:

Item 1. Contractor's Cost Proposal
Drawings - Floor Plans

Item 2. Contractor's Cost Proposal
Drawing - detail

Item 3. Contractor's Cost Proposal

Present Allowances in Construction Contract:
Betterment Allowance.....$ 5,000.00
Water Line Extension Allowance..... 2,800.00
Total.....$ 7,800.00

This Change Order applies the following Allowance amount to the cost of above changes as follows:
Reduce Betterment Allowance by.....$ 1,986.11
Reduce Water Line Extension Allowance by.. -0-
Total Reduction in Allowances.... $ 1,986.11

Allowances Balances after this Change Order:
Betterment Allowance.....$ 3,313.89
Water Line Extension Allowance..... 2,800.00
Total..... $ 6,113.89

REGISTERED ARCHITECT
GEORGE A GARCIA
5476
STATE OF TEXAS
4-17-13

Lic. Expiration
date: 8-31-13

ALCOCER GARCIA ASSOCIATES, INC. McALLEN, TX

SUMMARY OF CHANGE ORDER NO.2

PROJECT : Hidalgo County Precinct 1 Constable's Office Building, Weslaco, Texas
CONTRACTOR: Holchemont, LTD

Provide labor, material and equipment for the following work items :

1. Reconfigure Restrooms 102,103,113, & 134 fixture locations per City/Accessibility requirements	$ 1,391.78
2. Add steel bar restraining devices to bench in Hall 112	156.65
3. Remove electrical home-run conduits in slab to allow for partition changes. Re-route conduits above ceiling	437.68
Total cost	$ 1,986.11

Attachments:

Item 1. Contractor's Cost Proposal
Drawings - Floor Plans

Item 2. Contractor's Cost Proposal
Drawing - detail

Item 3. Contractor's Cost Proposal

Present Allowances in Construction Contract:

Betterment Allowance	$ 5,000.00
Water Line Extension Allowance	2,800.00
Total	$ 7,800.00

This Change Order applies the following Allowance amount to the cost of above changes as follows:

Reduce Betterment Allowance by	$ 1,986.11
Reduce Water Line Extension Allowance by	-0-
Total Reduction in Allowances	$ 1,986.11

Allowances Balances after this Change Order:

Betterment Allowance	$ 3,313.89
Water Line Extension Allowance	2,800.00
Total	$ 6,113.89

ALCOCER GARCIA ASSOCIATES, INC.
McAllen, TX

Lic. Expiration
date: 8-31-13

Holchemont, Ltd.
900 N. Main St.
McAllen, TX 78501
Ph : (956) 686-2901

Change Request

To: George Garcia
Alcocer Garcia Associates
1333 East Jasmine Avenue
McAllen, TX 78501
Ph: (956)618-2007 Fax: (956)618-2008

Number: 2
Date: 12/3/12
Job: 1207-PCT-19 Hid Co Pct 1 Constable Office
Phone:

Description: RFP 002

We are pleased to offer the following specifications and pricing to make the following changes:

Plan sheet "Revisions to Plumbing Fixture Locations" November 16, 2012

REVISED 10APR13

RM 116
New chase $770.00
Tile $25.00
Wood Blocking $50.00

RM 113
New Gyp. chase $125.00
T&F, Blockfill $100.00
Wood Blocking $35.00

RM 104 &103
No additonal Cost $0.00

RM 102
Plumbing $50.00

RM 134
No additonal Cost $0.00

P & PB $28.88

General Conditions $34.65

OH & P $173.25

REVISED 10APR13

The total amount to provide this work is $1,391.78

Please note that Holchemont, Ltd. will require an extra 4 days.

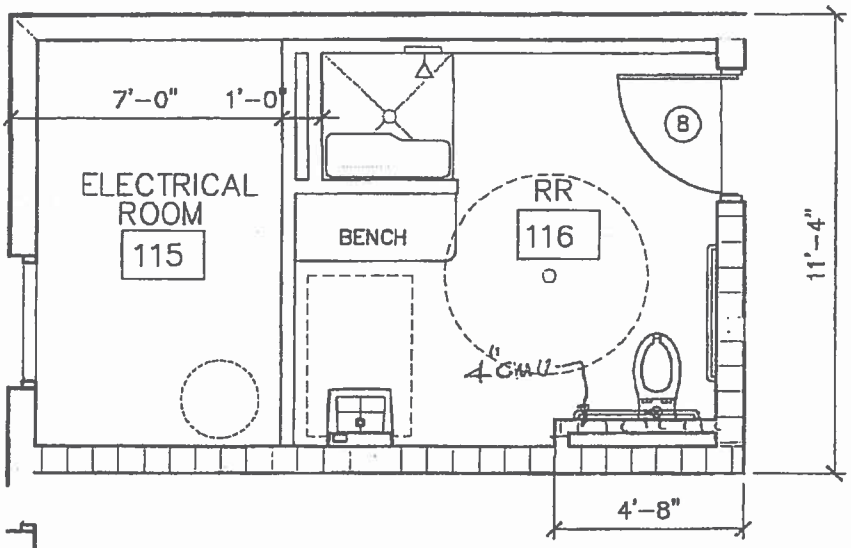
Holchemont, Ltd.
900 N. Main St.
McAllen, TX 78501
Ph : (956) 686-2901

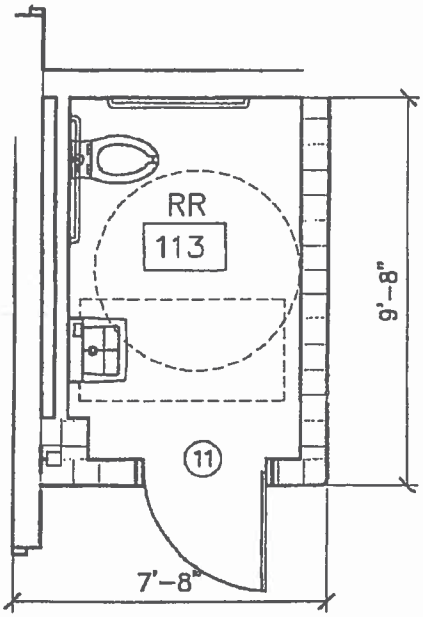
If you have any questions, please contact me at (956)686-2901.

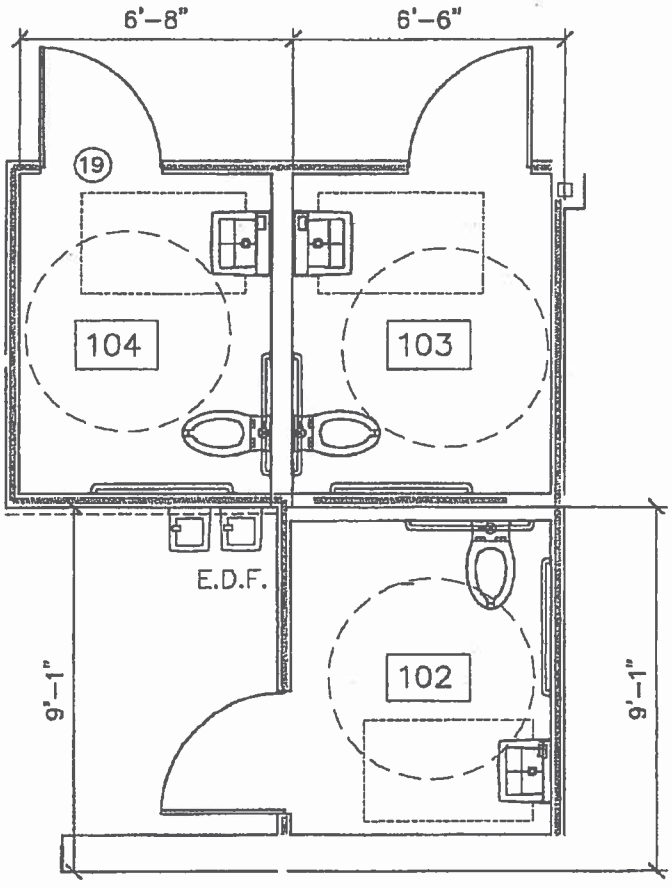
Submitted by: Michael C. Montalvo
Holchemont Ltd.

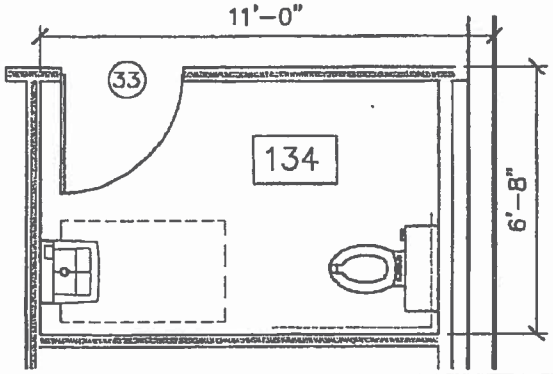
Approved by: _____
Date: _____

Cc: Rene Salinas (GAS Enterprises Inc)









CONSTABLES OFFICE BUILDING
HIDALGO COUNTY PCT 1

REVISIONS TO PLUMBING FIXTURE LOCATIONS

Alcócer Garcia Associates, Inc.
1333 E. Jasmine Ave.
McAllen, Texas 78501
Office: 956.618.2007
Fax: 956.618.2008

AGA

NOVEMBER 16, 2012

Holchemont, Ltd.
900 N. Main St.
McAllen, TX 78501
Ph : (956) 686-2901

Change Request

To: George Garcia
Alcocer Garcia Associates
1333 East Jasmine Avenue
McAllen, TX 78501
Ph: (956)618-2007 Fax: (956)618-2008

Number: 6
Date: 1/25/13
Job: 1207-PCT-19 Hid Co Pct 1 Constable Office
Phone:

Description: RFP 006 CMU Bench - Rod Steel Bar set in CMU

We are pleased to offer the following specifications and pricing to make the following changes:

1. Add 3/8" smooth Round Steel Rod (3 pcs.) to bench as restraint anchor.

   $156.65

The total amount to provide this work is $156.65

Please note that Holchemont, Ltd. will require an extra 1 day.

If you have any questions, please contact me at (956)686-2901.

Submitted by: Michael C. Montalvo
Holchemont Ltd.

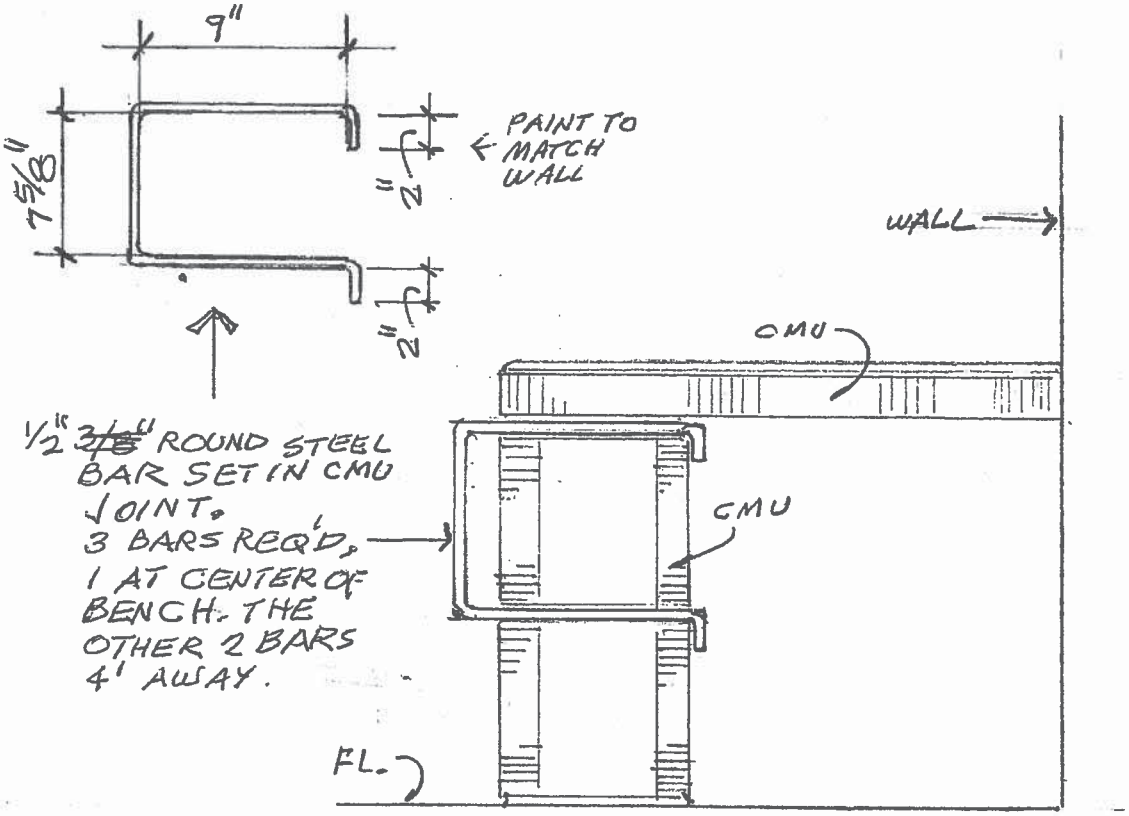
Approved by: _____
Date: _____

Cc:

ALCOCER GARCIA ASSOCIATES , INC.
1333 E. Jasmine Ave. McAllen, Texas 78501 Off. 956-618-2007 Fax. 956-618-2008

Project: Precinct 1 Constable's Building

Part of Request for Proposal No. 6 Restraining Bars



SECTION THRU BENCH

1½" = 1'-0"

AIA® Document G701™ – 2001

Change Order

PROJECT: *(Name and address)* Pct 1 Constable Building Weslaco, Texas	**CHANGE ORDER NUMBER:** 001 **DATE:** April 17, 2013 **ARCHITECT'S PROJECT NUMBER:**	OWNER ☒ ARCHITECT ☒ CONTRACTOR ☒ FIELD ☐ OTHER ☐
TO CONTRACTOR: *(Name and address)* Holchemont, LTD 900 N Main Street McAllen, Texas 78501	**CONTRACT DATE:** July 24, 2012 **CONTRACT FOR:** General Construction	

The Contract is changed as follows:
(Include, where applicable, any undisputed amount attributable to previously executed Construction Change Directives.)

See attached Summary of Change Order No. 1

The original (Contract Sum) was	$	724,000.00
The net change by previously authorized Change Orders	$	00.00
The (Contract Sum) prior to this Change Order was	$	724,000.00
The (Contract Sum) will be (increased) (by this Change Order in the amount of	$	47,697.86
The new (Contract Sum) , including this Change Order, will be	$	771,697.86

The Contract Time will be (increased) ((by Seventy Eight (78) days.

The date of Substantial Completion as of the date of this Change Order, therefore, is October 20, 2013

(NOTE: This Change Order does not include changes in the Contract Sum, Contract Time or Guaranteed Maximum Price that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.)

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

ARCHITECT	CONTRACTOR	OWNER
Alcocer Garcia Associates, Inc. *(Firm name)*	Hochemont, LTD *(Firm name)*	County of Hidalgo, Texas *(Firm name)*
1333 E Jasmine McAllen, Texas 78501 ADDRESS	900 N Main Street McAllen, Texas 78501 ADDRESS	2802 S Business Hwy 281 Edinburg, Texas 78539 ADDRESS
George A Garcia BY *(Signature)*	BY *(Signature)*	Ramon Garcia BY *(Signature)*
George A. Garcia *(Typed name)*	Michael Montalvo *(Typed name)*	Ramon Garcia, County Judge *(Typed name)*
4-18-13 DATE	18 APR 13 DATE	5/3/13 DATE

Approved by Commissioners' Court
4/30/13 RG

AIA Document G701™ – 2001. Copyright © 1979, 1987, 2000 and 2001 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was created on 04/17/2013 14:33:29 under the terms of AIA Documents-on-Demand™ order no. 2008596178 , and is not for resale. This document is licensed by The American Institute of Architects for one-time use only, and may not be reproduced prior to its completion.

SUMMARY OF CHANGE ORDER NO. 1

PROJECT :

Hidalgo County Precinct 1 Constable's Office Building, Weslaco, Texas

CONTRACTOR :
Holchemont, LTD

Provide labor, material and equipment for the following work items :

1. Add exterior roof access ladder as per City requirements..... $ 3,343.88
2. Delete Restroom 104 fixtures, finish-out to create closet, net credit..... < 568.42 >
3. Install Bullet-resistant wall lining at lobby side of partition between Lobby and Receptionist office. Install bullet-resistant window with drawer at partition between Lobby and Reception, install 3 electrical back boxes for Owner's cameras..... 12,146.40
4. Install electrical power from new building to existing adjacent building for emergency electrical service and conduits for Owner's camera equipment.....15,990.35
5. Install exit door at Receptionist Office exterior wall, revise conference and office partitions and door locations, re-work electrical and A/C ducts and fire sprinkler system, install CMU to top of exterior wall at rear of building in lieu of 2x8 to close gap, add concrete landing at new exit door at Receptionist office..... ..... 16,785.65

Total cost..... $ 47,697.86

Attachments:

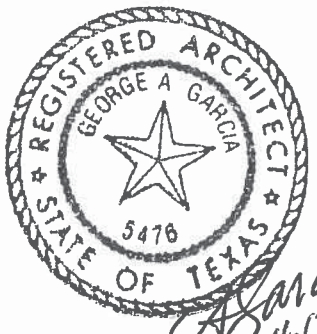
Item 1: Contractor's Cost Proposal
Make / model data

Item 2: Contractor's Cost Proposal (credit)
Drawing (part of Item 5 attachments)

item 3: Contractor's Cost Proposal
Bullet Resistant materials data

Item 4: Contractor's Cost Proposal
Electrical subcontractor's cost breakdown
Electrical Engineer's revision requirements

Item 5: Contractor's Cost Proposal
Drawing - revisions to partitions and doors and restroom conversion to storage room
Drawing - revisions to reflected ceiling plan
Revisions to flooring pattern
Drawing - concrete landing
MEP Engineer's revisions to mechanical and electrical installations



ALCOCER GARCIA ASSOCIATES, INC.
McALLEN, TX

4-17-13

Lic. Expiration
date: 8-31-13

Holchemont, Ltd.
900 N. Main St.
McAllen, TX 78501
Ph : (956) 686-2901

Change Request

To: George Garcia
Alcocer Garcia Associates
1333 East Jasmine Avenue
McAllen, TX 78501
Ph: (956)618-2007 Fax: (956)618-2008

Number: 1
Date: 10/25/12
Job: 1207-PCT-19 Hid Co Pct 1 Constable Office
Phone:

Description: RFP 1

We are pleased to offer the following specifications and pricing to make the following changes:

As per RFP 1:

REVISED 10APR13

1. Furnish and install one exterior aluminum roof access ladder per specifications provided. $2,775.00
2. P & PB $69.38
3. General Conditions $83.25
4. OH & P $416.25

MODIFIED 07FEB13

REVISED 10APR13

WE STILL NEED A LOCATION ON THE BUILDING AS TO WHERE THE LADDER IS TO BE INSTALLED.

The total amount to provide this work is $3,343.88

Please note that Holchemont, Ltd. will require an extra 10 days.

If you have any questions, please contact me at (956)686-2901.

Submitted by: Michael C. Montalvo
Holchemont Ltd.

Approved by: _____
Date: _____

Cc: GAS Enterprises Inc

NAME_____

COMPANY_____

ADDRESS_____

CITY, STATE, ZIP_____

PHONE_____ FAX_____

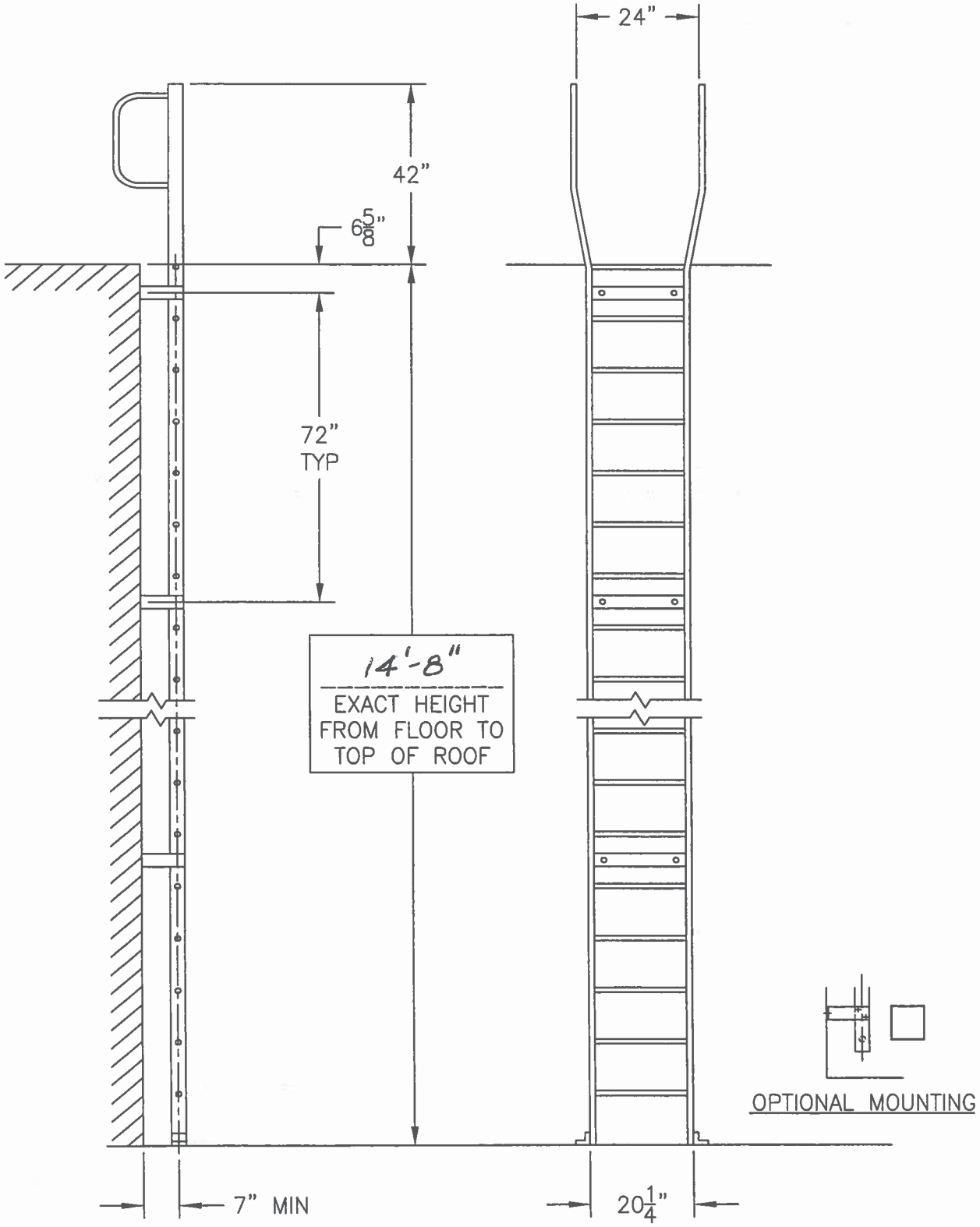
Save Document to local drive using "SaveAs", then email to sales@alacoladder.com

ALACO
Ladder Company

5167 "G" Street, Chino, CA 91710-5143
Phone: 888-310-7040 • Fax: 909-591-7565

EXTERIOR ROOF ACCESS

MODEL 561 — Fixed Wall Ladder with Handrails Over Roof



2

Holchemont, Ltd.
900 N. Main St.
McAllen, TX 78501
Ph : (956) 686-2901

Change Request

To: George Garcia
Alcocer Garcia Associates
1333 East Jasmine Avenue
McAllen, TX 78501
Ph: (956)618-2007 Fax: (956)618-2008

Number: 4
Date: 1/25/13
Job: 1207-PCT-19 Hid Co Pct 1 Constable Office
Phone:

Description: RFP 004 - Aromtex/ArmorCore

We are pleased to offer the following specifications and pricing to make the following changes:

1. Provide Arotex Bullet Resistant Transaction Drawer and Window $6,950.00

2. Install bullet resistant ArmorCore panels behind gyp. board on ones sied of partition between the Receptionest and Lobby. Panels to be 8' - 0" high. $2,880.00

3. Electrical Back Boxes $250.00

4. P & PB $252.00

5. General Conditons $302.40

6. GC OH & P $1,512.00

REVISED 10APR13

The total amount to provide this work is $12,146.40

Please note that Holchemont, Ltd. will require an extra 14 days.

If you have any questions, please contact me at (956)686-2901.

Submitted by: Michael C. Montalvo
Holchemont Ltd.

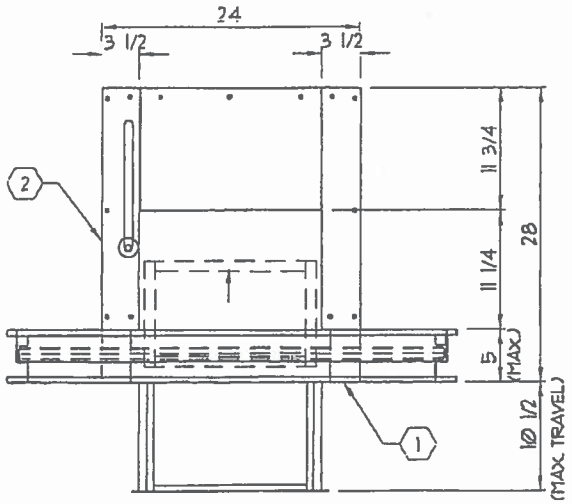
Approved by: _____
Date: _____

Cc:

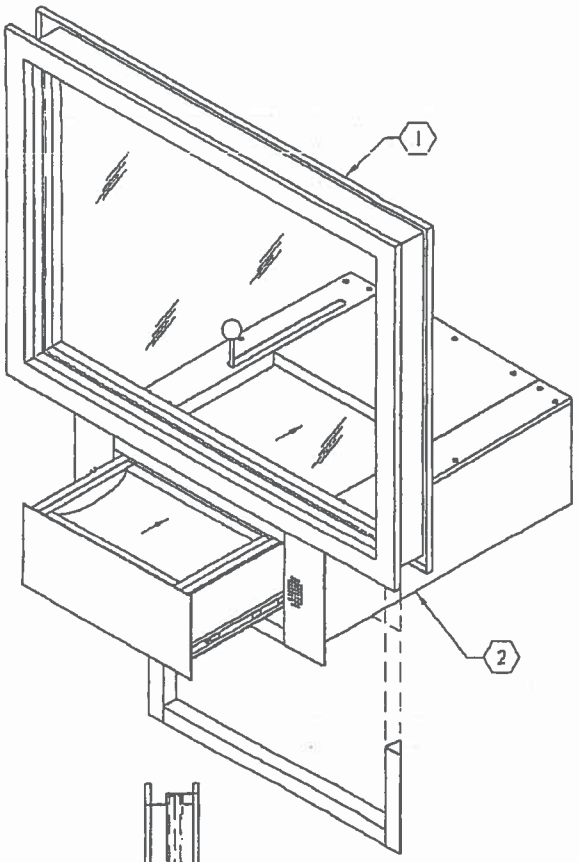
RFP 004

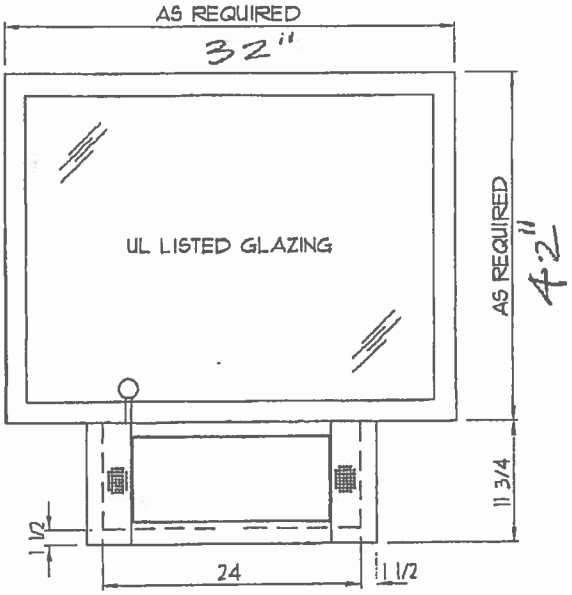
SEE SPECIFICATIONS : SSTDRAWER SPECS

NOTES:
1. ARMORTEX® BULLET RESISTANT WINDOW SIZES AND TYPE AS REQUIRED
2. TRANSACTION DRAWER MODEL 6003

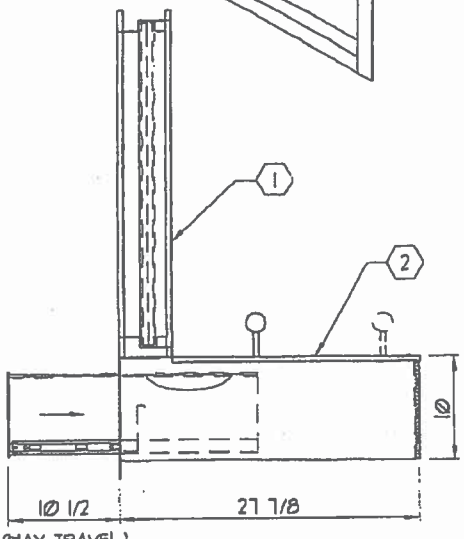


TOP VIEW
(_ - REQUIRED)





FRONT VIEW



SIDE VIEW

C:\ARMORTEX MASTERS - 2007\TRANSACTION DRAWERS\T1016004.DWG 02/19/07 @ 10:08 User: aperez

REVISIONS		
No.	DESCRIPTION	DATE

ARMORTEX® BULLET / BLAST RESISTANT PRODUCTS
5926 CORRIDOR PKWY SCHERTZ, TX 78154
TEL: 210-661-8306 800-880-8306 FAX: 210-661-8308

BALLISTIC LEVEL: 3

TITLE: ARMORTEX® BULLET RESISTANT TRANSACTION DRAWER AND WINDOW UNIT

PROJECT NAME:

UNLESS OTHERWISE SPECIFIED ALL DIMENSIONS ARE IN INCHES

SCALE: NONE

PROJECT No.:

DRN.BY:	DATE:
A. Perez	02-16-07
CHKD.BY:	DATE:
DRAWING No.	SHEET
T1016004	1 OF 1

RFP004

ARMORTEX®, INC.
BULLET • BLAST • FORCED-ENTRY PROTECTION PRODUCTS

- Products
  - Bullet Resistant Products
    - Doors
    - Windows & Glazing
    - Composite Panels
    - Transaction Equipment
      - Transaction Drawers
      - Package Receivers
      - Money Hoppers
      - Package Receivers
    - Accessories
  - Blast Protection Products
  - Bullet/Blast Storefront Systems
- Photo Gallery
- Company Overview
- Technical Binder
- Links
- Installation
- Contact Us

Bullet Resistant Transaction Drawers

MODEL SS4D, SS10D, AND SS10D-D

Armortex® Bullet Resistant Transaction Drawers are fabricated from stainless steel to provide long life and trouble-free operation. The drawers are designed with a Bullet Resistant panel in position to protect the operator when the unit is open or closed. The transaction drawers are manufactured with UL Listed Composite, designed to provide protection against UL Level 1 through 4 weapons.

A removable plastic money tray is furnished with the SS4D and SS10D units. The SS10D-D comes without the money tray to provide greater capacity and is ideal for detention applications. The drawers are simple to install and attach to a conventional counter top.

MODEL 6003

The Armortex® Model 6003 is specifically designed to accommodate a window frame immediately above. This unit has a brushed stainless steel top and front and is available with an optional electronic speaker system. The unit design prevents the drawer from being extended unless the inner door is completely closed, thereby providing maximum protection for your employees. The large capacity bin offers you 1,300 cubic inches of usable space with a sliding dip tray. Available in Levels 1 through 4. ← INCLUDE

MODEL 1724

The Armortex® Model 1724 is specifically designed to accommodate a window frame, not exceeding 5" in depth, immediately above. This drawer is best utilized where an "end opening" requirement exists such as in a drive up application. A clear plastic lid offers a clear view of the contents prior to opening as well as prevents the rush of outside air. The lid has a pushbutton release and handle for operational simplicity. This drawer is available in protection level 3 through 8.

CAD Drawings for Bullet Resistant Transaction Drawers & Trays.
All files are in PDF format unless otherwise noted.

Drawing #	Description of File
Word DOC	Transaction Drawer Short Form
T1016000	Transaction Drawer Model SS4D

ISO 9001:2008 Certified

PFP 004

*Combining woven-roving fiberglass with resin, **ArmorCore®** panels capture the ballistic projectiles in a process called ply-delamination without ricochet or spalling.*

ArmorCore® panels deliver superior security against bullets and blast fragments.
Through a proprietary manufacturing process, **ArmorCore®** panels are precision-assembled and cured in a press with heat and pressure, maintaining quality and consistency.

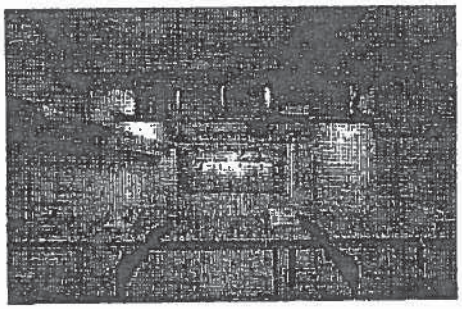
UL 752 Protection Level

Level / UL Rating	UL	Nominal Thickness	Nominal Weight lbs/sq. ft	NIJ Level	Ammunition	Grain	(g)	Minimum fps	Velocity m/s	No. of Shots	UL 752 Paragraph
Level 1		1/4"	2.6 psf		9mm full metal copper jacket with lead core	124	8	1175	358	3	4.3
Level 2		5/16"	3.6 psf	Level II-A	.357 magnum jacketed lead soft point	158	10.2	1250	381	3	4.4
Level 3		7/16"	4.8 psf	Level II-A	.44 magnum lead semi-wadcutter gas checked	240	15.6	1350	411	3	4.5
Level 4		1-3/8"	13.9 psf		.30 caliber rifle lead core	180	11.7	2450	774	1	4.6
Level 5		1-7/16"	14.8 psf		7.62mm rifle lead core full metal copper jacket, military ball	150	9.7	2750	838	1	4.7
Level 6		3/8"	3.9 psf	Level II	9mm full metal copper jacket with lead core	124	8	1400	427	5	4.8
Level 7		1-1/8"	11.7 psf		5.56mm rifle full metal copper jacket with lead core	55	3.56	3080	939	5	4.9
Level 8		1-7/16"	15.2 psf	Level III	7.62mm rifle lead core full metal copper jacket, military ball	150	9.7	2750	838	5	4.10
Supplementary Shotgun					12-gauge rifled slug	437	28	1585	483	3	4.11
					12-gauge 00 lead buckshot (12 pellets)	600	39	1200	366		

ArmorCore® carries a one-hour fire rating compliant to ASTM E119-00 (Fire Testing of Building Construction and Materials)
ArmorCore® Level 3 panels carry a Class IV Forced Entry Protection rating, per ASTM F1233-98.

The Industry Leader

Waco Composites, Ltd. leads the industry in ballistic panel design and fiberglass product development. Our team's experience includes design and development of ballistic resistant panels for a wide range of applications: Commercial, Governmental, Educational and Military.



Consistent ballistic testing, documentation and attention to detail are part of the Waco Composites Quality Assurance Program. Waco Composites is an ISO 9001:2008 registered company.

ARMORCORE
BULLET RESISTANT FIBERGLASS PANELS

For Product Details, Specifications and Pricing:

Call us at: **866-688-3088**
Or visit our website: **www.ArmorCore.com**

Waco Composites, Ltd., 302 S. 27th Street, Waco, TX 76710

3

Holchemont, Ltd.
900 N. Main St.
McAllen, TX 78501
Ph : (956) 686-2901

Change Request

To: George Garcia
Alcocer Garcia Associates
1333 East Jasmine Avenue
McAllen, TX 78501
Ph: (956)618-2007 Fax: (956)618-2008

Number: 3
Date: 12/12/12
Job: 1207-PCT-19 Hid Co Pct 1 Constable Office
Phone:

Description: RFP 003

We are pleased to offer the following specifications and pricing to make the following changes:

RFP 003

REVISED 10APR13

DEDUCTS

Plumbing Credits $450.00

Ceramic Tile Credits $250.00

Accessories Credits $ 150.00

ADDS

Painting $100.00

Drywall Framing $52.88

General Conditions $24.45

OH & P $104.25

The total amount to provide this work is ..... $-568.42

Please note that Holchemont, Ltd. will require an extra 4 days.

If you have any questions, please contact me at (956)686-2901.

Submitted by: Michael C. Montalvo
Holchemont Ltd.

Approved by: _____
Date: _____

Cc:

Holchemont, Ltd.
900 N. Main St.
McAllen, TX 78501
Ph : (956) 686-2901

Change Request

To: George Garcia
Alcocer Garcia Associates
1333 East Jasmine Avenue
McAllen, TX 78501
Ph: (956)618-2007 Fax: (956)618-2008

Number: 8
Date: 1/30/13
Job: 1207-PCT-19 Hid Co Pct 1 Constable Office
Phone:

Description: Electrical Changes RFP 008

We are pleased to offer the following specifications and pricing to make the following changes:

Scope is for the Electrical changes as noted on drawing issued by Trinity Engineering Revised 12-5-12 Received 1-9-13

1. 1-4" PVC conduit for Camera controls
2. 1-2" PVC conduit for power to camera in existing building

Subcontractor	$13,270.00
General Conditions	$398.10
P & PB	$331.75
OH & P	$1,990.50

Price is valid for only 10 Days.

REVISED 10APR13

The total amount to provide this work is $15,990.35

Please note that Holchemont, Ltd. will require an extra 10 days.

If you have any questions, please contact me at (956)686-2901.

Submitted by: Michael C. Montalvo
Holchemont Ltd.

Approved by: _____
Date: _____

Cc:

METRO
ELECTRIC, INC.
TECL# 17140

☐ MAIN OFFICE
1901 INDUSTRIAL DRIVE
McALLEN, TX 78504-4015
(956) 686-2323

☐ BRANCH OFFICE
5255 COMMERCIAL DRIVE
P.O. BOX 4270
BROWNSVILLE, TX 78523
(956) 831-7801

HARLINGEN, TX 78550
(956) 421-2600

WWW.METROELECTRIC-RGV.COM

January 28, 2013

Holchemont, LTD.
900 N. Main St.
McAllen, TX 78501

Attn: Michael Montalvo
Re: Hidalgo Pct. 1 New Office
Metro Electric CPR #2

Please add **$13,270.00** to our base contract amount for the following changes.

The following Scope of Work is included

- 1-4" PVC conduit for Camera controls
- 1-2" PVC conduit for power to camera in existing building.
- 3- Motion detectors are included

Pricing is valid for two weeks only and we will need an additional ten days to Complete this work.

Should you have any questions, please advise accordingly.

Sincerely,
Metro Electric, Inc.

Jay Guajardo
Project Manager

File C.O. #2-03005

Change Price Request Cost Analysis

PROJECT: Hidalgo Pct. 1 New Office
CONTRACTOR: Holchemont, LTD.

DESCRIPTION OF CHANGE: Add 1-4" pvc underground conduit for camera controls, add 1-2" pvc conduit for emergency power from MDP to cameras in existing building and also provide 3 additional motion detectors.

Metro Electric, Inc. CPR #2 Page 1 of 2

Description	Quan. Reqd.	Material Cost	Unit	Material Total	Labor Total
4" PVC CONDUIT	220.00	$ 377.61	C	$ 830.74	$ 1,157.73
4" PVC COUPLINGS	6.00	$ 581.51	C	$ 34.89	$ 29.80
4" PVC F/A	6.00	$ 733.98	C	$ 44.04	$ 157.87
4" GRC 90° ELBOWS	3.00	$ 185.23	E	$ 555.69	$ 355.21
4" GRC COUPLINGS	1.00	$ 1,995.88	C	$ 19.96	$ 16.45
4" GRC CONDUIT	10.00	$ 3,081.44	C	$ 308.14	$ 96.67
4" GRC LB	2.00	$ 10,934.90	C	$ 218.70	$ 296.01
4" EMT CONDUIT	20.00	$ 1,179.88	C	$ 235.98	$ 105.25
4" S/S CONNECTORS	2.00	$ 3,005.12	C	$ 60.10	$ 29.60
4" S/S COUPLINGS	2.00	$ 2,073.99	C	$ 41.48	$ 14.47
4" UNISTRUT STRAPS	6.00	$ 277.61	C	$ 16.86	$ 11.84
DEEP UNISTRUT	20.00	$ 852.20	C	$ 170.44	$ 76.94
3/8" ALL THREAD	30.00	$ 136.83	C	$ 41.05	$ 19.73
2" PVC CONDUIT	180.00	$ 130.91	C	$ 209.46	$ 420.99
2" PVC COUPLINGS	8.00	$ 142.56	C	$ 8.55	$ 29.60
2" PVC F/A	6.00	$ 194.12	C	$ 11.65	$ 59.20
2" GRC 90° ELBOWS	3.00	$ 67.27	C	$ 2.02	$ 118.40
2" GRC COUPLINGS	2.00	$ 5.80	E	$ 11.60	$ 16.45
2" GRC CONDUIT	20.00	$ 1,032.71	C	$ 206.54	$ 72.36
2" GRC LB	2.00	$ 6,472.71	C	$ 129.45	$ 108.54
2" EMT CONDUIT	50.00	$ 464.78	C	$ 232.39	$ 131.56
2" S/S CONNECTORS	2.00	$ 514.99	C	$ 10.30	$ 16.45
2" S/S COUPLINGS	4.00	$ 564.93	C	$ 22.60	$ 15.79
2" UNISTRUT STRAPS	10.00	$ 156.96	C	$ 15.70	$ 13.16
				$ -	$ -
				$ -	$ -
		Subtotals		$ 3,438.12	$ 3,373.86
		Sales Tax		$ -	
		Subtotal w/ Tax		$ 3,438.12	

Bond	$ -
Subtotal (Material and Labor) Page 1 of 2	$ 6,811.98
Plus 0.00 % of (Material and Labor) For Overhead	$ -
Subtotal (Material, Labor and Overhead) Page 1 of 2	$ 6,811.98
Plus 0.00 % of (Material, Labor, and Overhead) For Profit	$ -
Total (Material, Labor, Overhead, and Profit) Page 1 of 2	$ 6,811.98

Change Price Request Cost Analysis

PROJECT: Hidalgo Pct. 1 New Office
CONTRACTOR: Holchemont, LTD.

DESCRIPTION OF CHANGE: Add 1-4" pvc underground conduit for camera controls, add 1-2" pvc conduit for emergency power from MDP to cameras in existing building and also provide 3 additional motion detectors.

Metro Electric, Inc. CPR #2 Page 2 of 2

Description	Quan. Reqd.	Material Cost	Unit	Material Total	Labor Total
TRENCH	300.00	$ 1.50	E	$ 450.00	$ 1,184.04
PULLSTRING	500.00	$ 0.05	E	$ 25.00	$ 139.78
EQUIPMENT	1.00	$ 446.00	E	$ 446.00	$ -
PVC GLUE (QUARTS)	2.00	$ 2,872.22	C	$ 57.44	$ -
WARNING TAPE	250.00	$ 30.00	M	$ 7.50	$ 98.67
WALL PENETRATIONS	3.00	$ 2.50	E	$ 7.50	$ 98.67
4SQ J-BOX	1.00	$ 289.93	C	$ 2.70	$ 9.67
¾" EMT CONDUIT	10.00	$ 116.34	C	$ 11.63	$ 16.45
¾" S/S CONNECTOR	1.00	$ 209.42	C	$ 2.09	$ 3.29
OCTAGON BOX	2.00	$ 460.53	C	$ 9.21	$ 19.73
512 CADDY BOX SUPPORT	2.00	$ 680.65	C	$ 13.61	$ 32.89
SCOTCHWRAP 4" ELBOW	3.00	$ 4.27	E	$ 12.81	$ 113.47
SCOTCHWRAP 2" ELBOW	3.00	$ 1.64	E	$ 4.92	$ 74.00
				$ -	$ -
				$ -	$ -
				$ -	$ -
				$ -	$ -
				$ -	$ -
				$ -	$ -
				$ -	$ -
				$ -	$ -
				$ -	$ -
				$ -	$ -
TOTAL FROM PAGE 1	1.00	$ 3,438.12		$ 3,438.12	$ 3,373.86
SECURITY CONTRACTOR	1.00	$ 800.00	E	$ 800.00	$ -
				$ -	$ -
		Subtotals		$ 5,288.55	$ 5,164.72
		Sales Tax		$ 36.80	
		Subtotal w/ Tax		$ 5,325.34	

Bond	$ -
Subtotal (Material and Labor) Page 2 of 2	$ 10,490.06
Plus 15.00 % of (Material and Labor) For Overhead	$ 1,573.51
Subtotal (Material, Labor and Overhead) Page 2 of 2	$ 12,063.57
Plus 10.00 % of (Material, Labor, and Overhead) For Profit	$ 1,206.36
Total (Material, Labor, Overhead, and Profit) Page 2 of 2	$ 13,269.93

TRINITY
MEP ENGINEERING

REVISION

Sent to Architect: AGA, INC **Date:** 12/5/2012

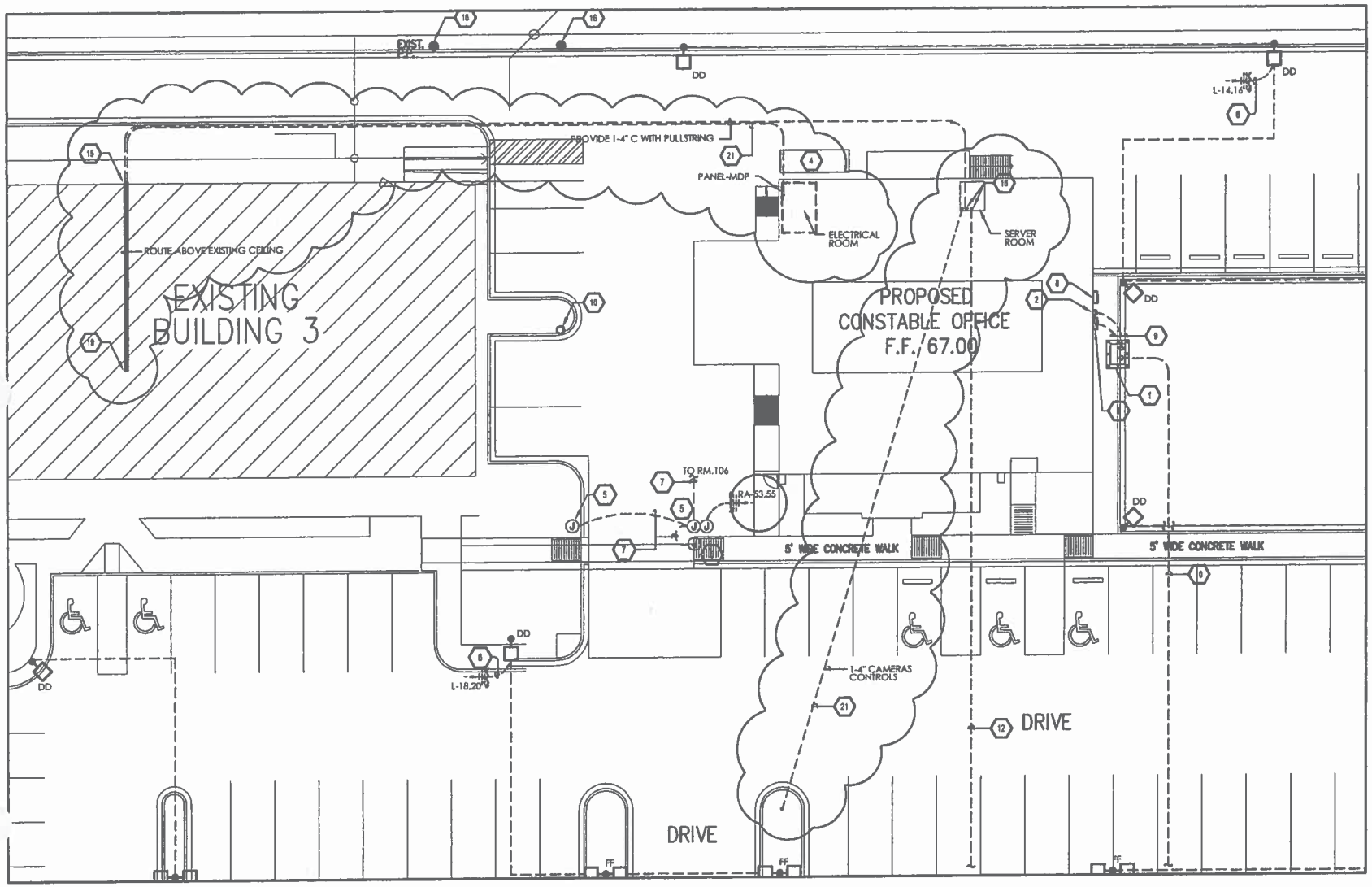
Project Name: Constable's office Building **Project Number:** 112.01

The work shall be carried out in accordance with the following supplemental instructions issued in accordance with the Contract Documents without change in Contract Sum or Contract Time Proceeding with the Work in accordance with these instructions indicates your acknowledgement that there will be no change in the Contract Sum or Contract Time.

12/5/2012

Drawings:		
Sheet No.	Addition / Change or Deletion	
ES1.1 A3	Add 1-4"underground counduit with pullstring for camera controls. Rise conduit	
	on both ends approximately 24"aff. Cap both ends.	
	Provide 2"conduit for emergency power from MDP to cameras in existing building.	
	Refer to attachment.	
E2.1	Provide additional motion detectors. Refer to attachment.	
	3	

T.R.E.F#F10362 3533 Mareland Dr. | Weslaco, Texas 78596 | phone: 956.973.0500 | fax: 956.351.5750



20 STUB-UP 24" A.F.F.

21 PROVIDE 1-4"C WITH PULLSTRING FOR CAMERA CONTROLS.

22 PROVIDE 1-2"C WITH PULLSTRING FOR FUTURE BACKUP POWER TO CAMERAS IN EXISTING BUILDING. VERIFY EXACT LOCATION WITH OWNER PRIOR TO ANY WORK. CONDUIT FROM NEW PANEL-MDP.

NORTH

ELECTRICAL SITE PLAN

SCALE: 1"=30'

12/05/12

STATE OF TEXAS
LEONARDO MUNOZ
97437
LICENSED PROFESSIONAL ENGINEER

TRINITY
MEP ENGINEERING
3333 Moreland Dr. Ste A | Weslaco, Tx 78596
p:956.973.0500 | 1356-351-6750
www.trinitymep.com | Copyright 2011
Texas Registered Engineering Firm - F10362
Project number:112.01

AGA, Inc.
Alcocer Garcia Associates, inc.
1333 E. Jasmine Ave.
McAllen, Texas 78501
Office: 956.618.2007
Fax: 956.618.2008
Web: WWW.AGADC.COM

CONSTABLE'S OFFICE BUILDING
HIDALGO COUNTY PRECINCT No. 1

1900 JOE STEPHENS
WESLACO, TEXAS

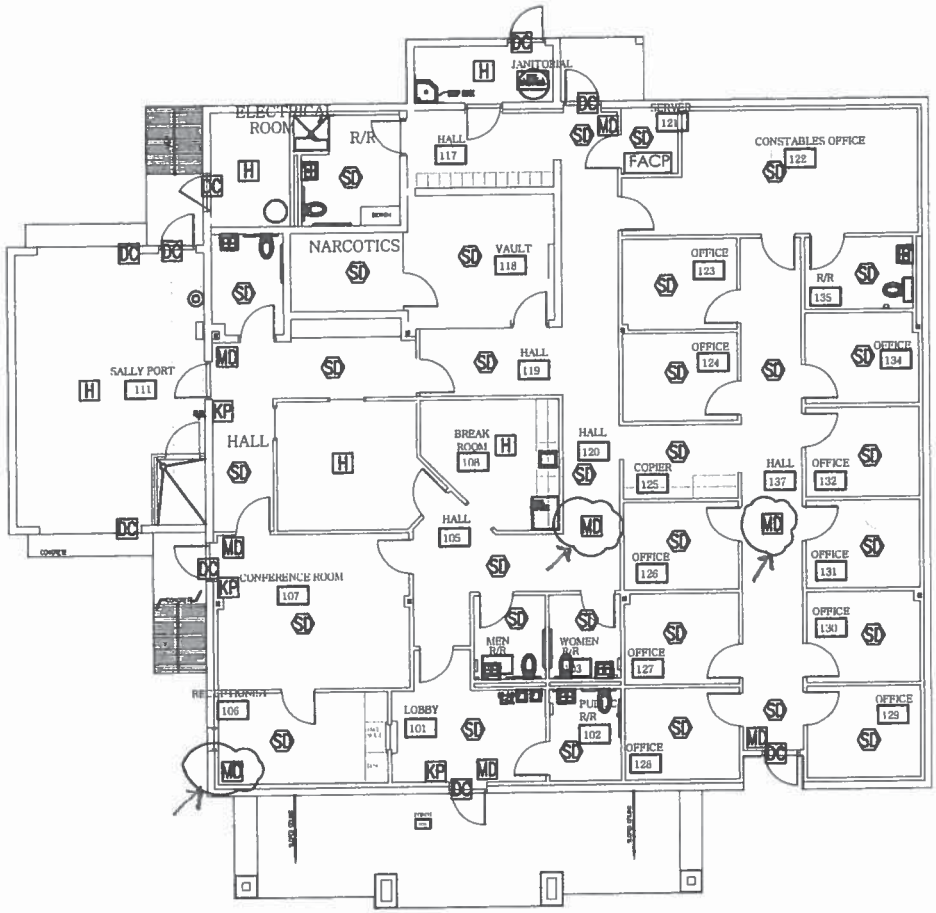
THE USE OF THESE DRAWINGS IS RESTRICTED TO THE ORIGINAL PURPOSE FOR WHICH THEY WERE PREPARED. REPRODUCTION WITHOUT WRITTEN PERMISSION FROM THE OWNER IS PROHIBITED.

ARCHITECT:
GEORGE A. GARCIA

DATE: 08-24-11

PROJECT # 112.01
ISSUED: 12/5/2012
DRAWN BY: TRINITY CAD
CHECKED BY: LM
FILE NAME:
SHEET:

ES1.1



NORTH

SPECIAL SYSTEMS PLAN

SCALE: 1/16" = 1'-0"

REVISION
12/05/12

TRINITY
MEP ENGINEERING
3533 Moreland Dr. Ste A I Weslaco, Tx 78596
p:956.973.0500 I f:956-351-5750
www.trinitymep.com I Copyright 2011
Texas Registered Engineering Firm - F10362
Project number:112.01

STATE OF TEXAS
LEONARDO MUNOZ
97437
LICENSED PROFESSIONAL ENGINEER

AGA, Inc.
Alcocer Garcia Associates, Inc.
1333 E Jasmine Ave.
McAllen, Texas 78501
Office: 956.618.2007
Fax: 956.618.2008
Web: WWW.AGAOC.COM

CONSTABLE'S OFFICE BUILDING
HIDALGO COUNTY PRECINCT No. 1

1900 JOE STEPHENS
WESLACO, TEXAS

THE USE OF THESE DRAWINGS IS RESTRICTED TO THE ORIGINAL PURPOSE FOR WHICH THEY WERE INTENDED. REPRODUCTION WITHOUT WRITTEN PERMISSION FROM THE OWNER IS PROHIBITED.

ARCHITECT:
GEORGE A. GARCIA

DATE: 08-24-11

PROJECT # 112.01
ISSUED: 12/5/2012
DRAWN BY: TRINITY CAD
CHECKED BY: LM
FILE NAME:
SHEET:

E2.1

TRINITY
MEP ENGINEERING

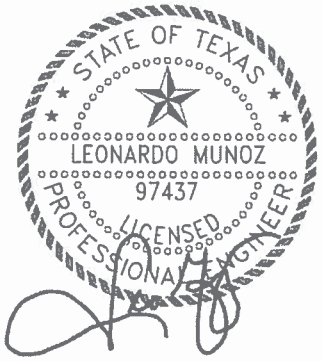
REVISION

Sent to Architect: AGA, INC **Date:** 12/5/2012

Project Name: Constable's office Building **Project Number:** 112.01

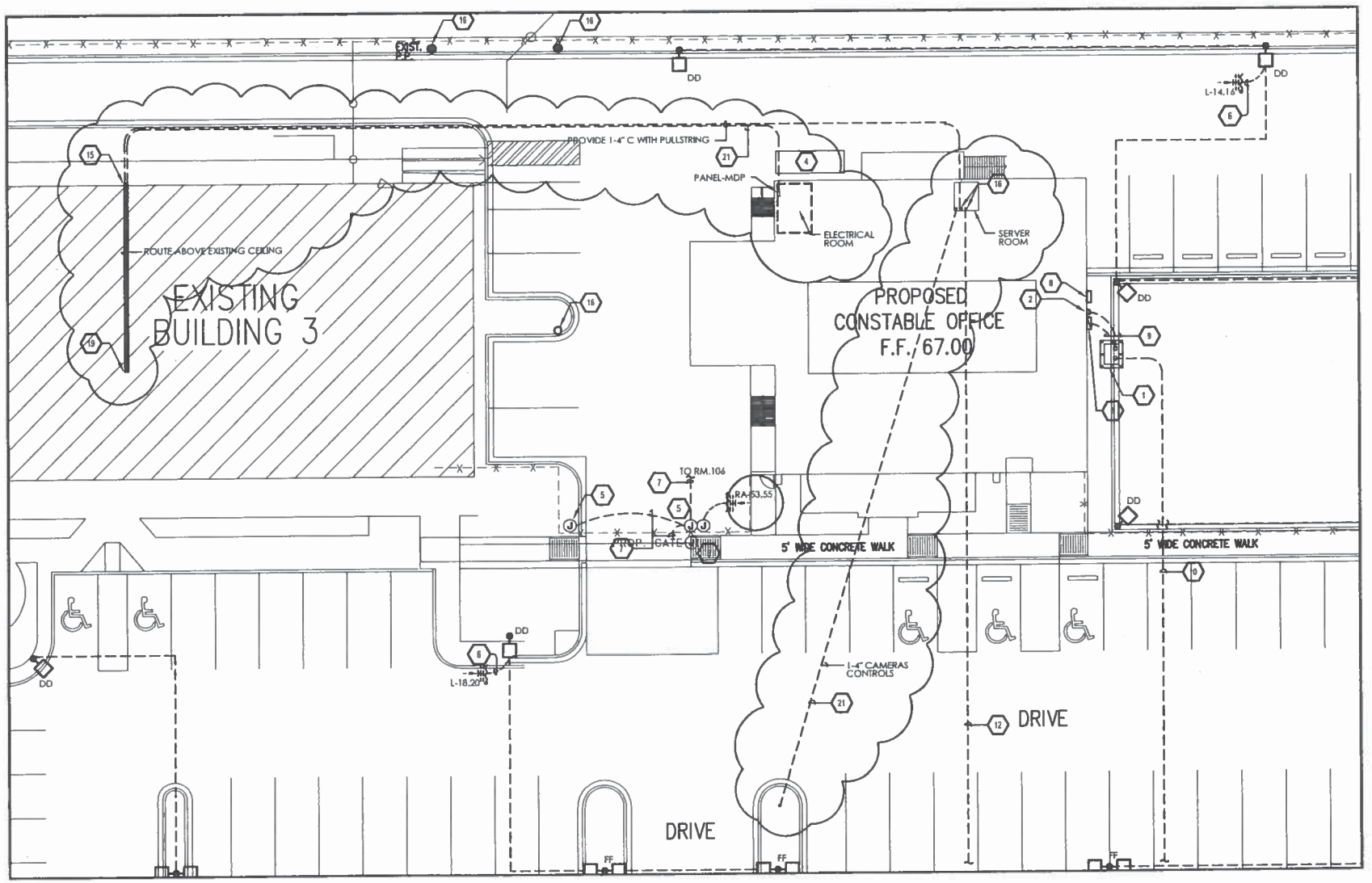
The work shall be carried out in accordance with the following supplemental instructions issued in accordance with the Contract Documents without change in Contract Sum or Contract Time Proceeding with the Work in accordance with these instructions indicates your acknowledgement that there will be no change in the Contract Sum or Contract Time.

12/5/2012



Drawings:		
Sheet No.	Addition / Change or Deletion	
ES1.1 A3	Add 1-4"underground counduit with pullstring for camera controls. Rise conduit	
	on both ends approximately 24"aff. Cap both ends.	
	Provide 2"conduit for emergency power from MDP to cameras in existing building.	
	Refer to attachment.	
E2.1	Provide additional motion detectors. Refer to attachment.	

T.R.E.F#F10362 3533 Moreland Dr. I Weslaco, Texas 78596 I phone: 956.973.0500 I fax: 956.351.5750



20 STUB-UP 24" AFF.

21 PROVIDE 1-4"C WITH PULLSTRING FOR CAMERA CONTROLS.

22 PROVIDE 1-2"C WITH PULLSTRING FOR FUTURE BACKUP POWER TO CAMERAS IN EXISTING BUILDING. VERIFY EXACT LOCATION WITH OWNER PRIOR TO ANY WORK. CONDUIT FROM NEW PANEL-MDP.

NORTH

ELECTRICAL SITE PLAN

SCALE: 1"=30'

TRINITY
MEP ENGINEERING
3533 Moreland Dr, Ste A | Weslaco, Tx 78596
p:956.973.0500 | f:956-351-5750
www.trinitymep.com | Copyright 2011
Texas Registered Engineering Firm - F10362
Project number:112.01

12/05/12

STATE OF TEXAS
LEONARDO MUNOZ
97437
LICENSED
PROFESSIONAL ENGINEER

AGA, inc.
Alcócer García Associates, inc.
1333 E. Jasmine Ave.
McAllen, Texas 78501
Office: 956.618.2007
Fax: 956.618.2008
Web: WWW.AGAOC.COM

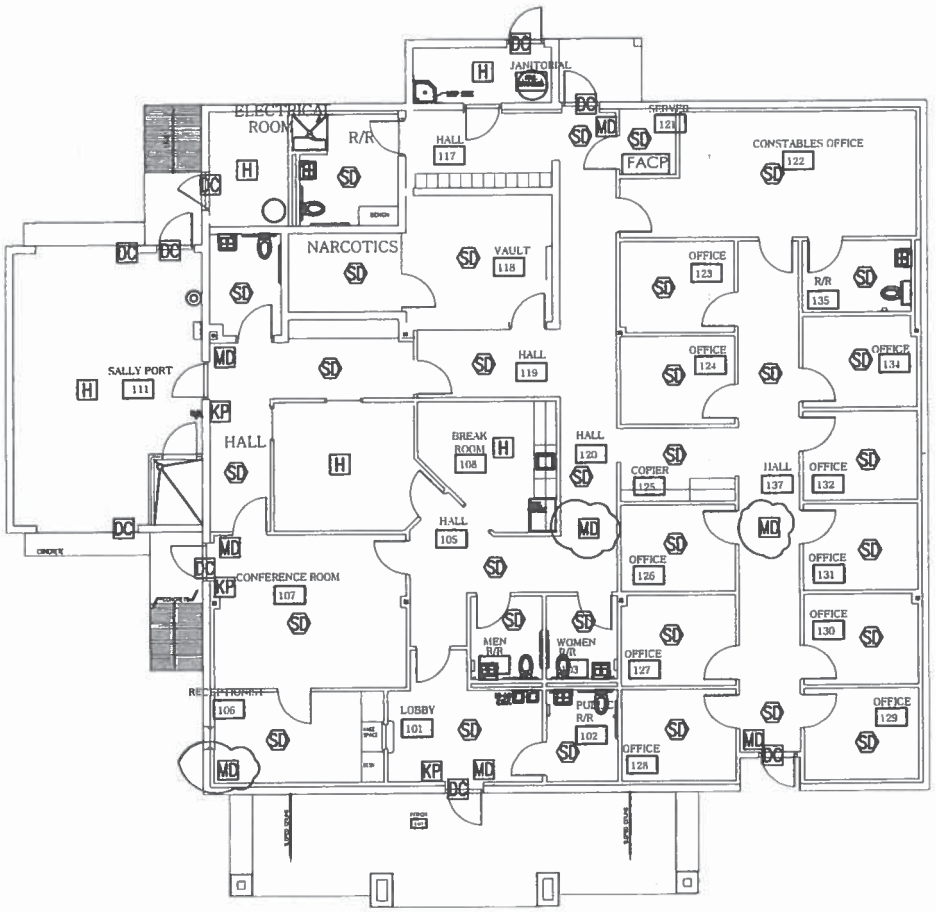
CONSTABLE'S OFFICE BUILDING
HIDALGO COUNTY PRECINCT No. 1
1900 JOE STEPHENS
WESLACO, TEXAS

THE USE OF THESE DRAWINGS IS RESTRICTED TO THE ORIGINAL PURPOSE FOR WHICH THEY WERE INTENDED. REPRODUCTION WITHOUT WRITTEN PERMISSION FROM THE OWNER IS PROHIBITED.

ARCHITECT:
GEORGE A. GARCIA
DATE: 05-24-11

PROJECT # 112.01
ISSUED: 12/5/2012
DRAWN BY: TRINITY CAD
CHECKED BY: LM
FILE NAME:
SHEET:

ES1.1



NORTH

SPECIAL SYSTEMS PLAN

SCALE: 1/16" = 1'-0"

REVISION
12/05/12

TRINITY
MEP ENGINEERING
3533 Moreland Dr. Ste A | Weslaco, Tx 78596
p:956.973.0500 | f:956-351-5750
www.trinitymep.com | Copyright 2011
Texas Registered Engineering Firm - F10362
Project number:112.01

STATE OF TEXAS
LEONARDO MUNOZ
97437
LICENSED
PROFESSIONAL ENGINEER

AGA, inc.
Alcócer García Associates, Inc.
1333 E. Jasmine Ave.
McAllen, Texas 78501
Office: 956.618.2007
Fax: 956.618.2008
Web: WWW.AGAOC.COM

CONSTABLE'S OFFICE BUILDING
HIDALGO COUNTY PRECINCT No. 1

1900 JOE STEPHENS
WESLACO, TEXAS

THE USE OF THESE DRAWINGS IS RESTRICTED TO THE ORIGINAL PURPOSE FOR WHICH THEY WERE INTENDED. REPRODUCTION WITHOUT WRITTEN PERMISSION FROM THE OWNER IS PROHIBITED.

ARCHITECT:
GEORGE A. GARCIA

DATE: 08-24-11

PROJECT # 112.01
ISSUED: 12/5/2012
DRAWN BY: TRINITY CAD
CHECKED BY: LM
FILE NAME:
SHEET:

E2.1

5

Holchemont, Ltd.
900 N. Main St.
McAllen, TX 78501
Ph : (956) 686-2901

Change Request

To: George Garcia
Alcocer Garcia Associates
1333 East Jasmine Avenue
McAllen, TX 78501
Ph: (956)618-2007 Fax: (956)618-2008

Number: 10
Date: 2/25/13
Job: 1207-PCT-19 Hid Co Pct 1 Constable Office
Phone:

Description: PART OF CHANGE ORDER NO. 1

We are pleased to offer the following specifications and pricing to make the following changes:

Revisions :

"PART OF CHANGE ORDER NO. 1" DATED 01APR13

1. Provide and Install New HM Frame, Door, and Hardware (Door #36) $1,870.00
   (Door & hardware same as Door #3))
2. Masonry Work for new door $2,295.00
3. Partitions & HM Frames $450.00
4. Electrical $2,033.00
5. Mechanical $1,464.00
6. Fire Wet Sprinkler $2,243.00
7. Wind Storm $180.00
8. Access Panels $500.00
9. Rough Carpentry $225.00
10. CMU Gap $2,500.00
11. Additional Landing
10. P & PB $348.25
11. General Conditions $417.90
12. OH & P $2,089.50

The total amount to provide this work is $16,785.65

Please note that Holchemont, Ltd. will require an extra 12 days.

If you have any questions, please contact me at (956)686-2901.

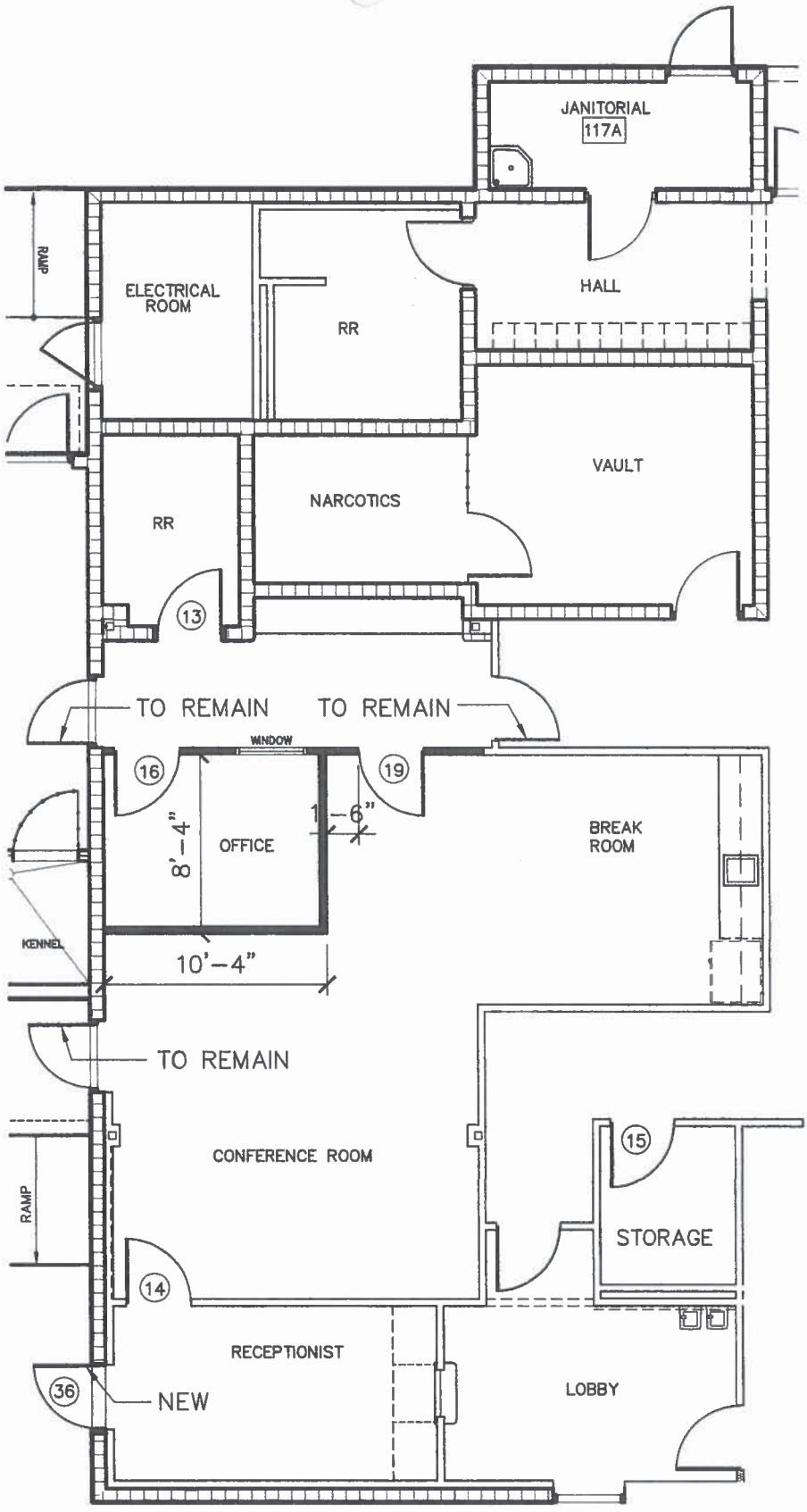
✓

Holchemont, Ltd.
900 N. Main St.
McAllen, TX 78501
Ph : (956) 686-2901

Submitted by: Michael C. Montalvo
Holchemont Ltd.

Approved by: _____
Date: _____

Cc:



NORTH

REVISED PARTITIONS AND DOOR LOCATIONS

SCALE: 1/8" = 1'-0"

REGISTERED ARCHITECT
GEORGE A GARCIA
5476
STATE OF TEXAS

4-1-13

LICENSE EXPIRATION DATE: 08.31.13

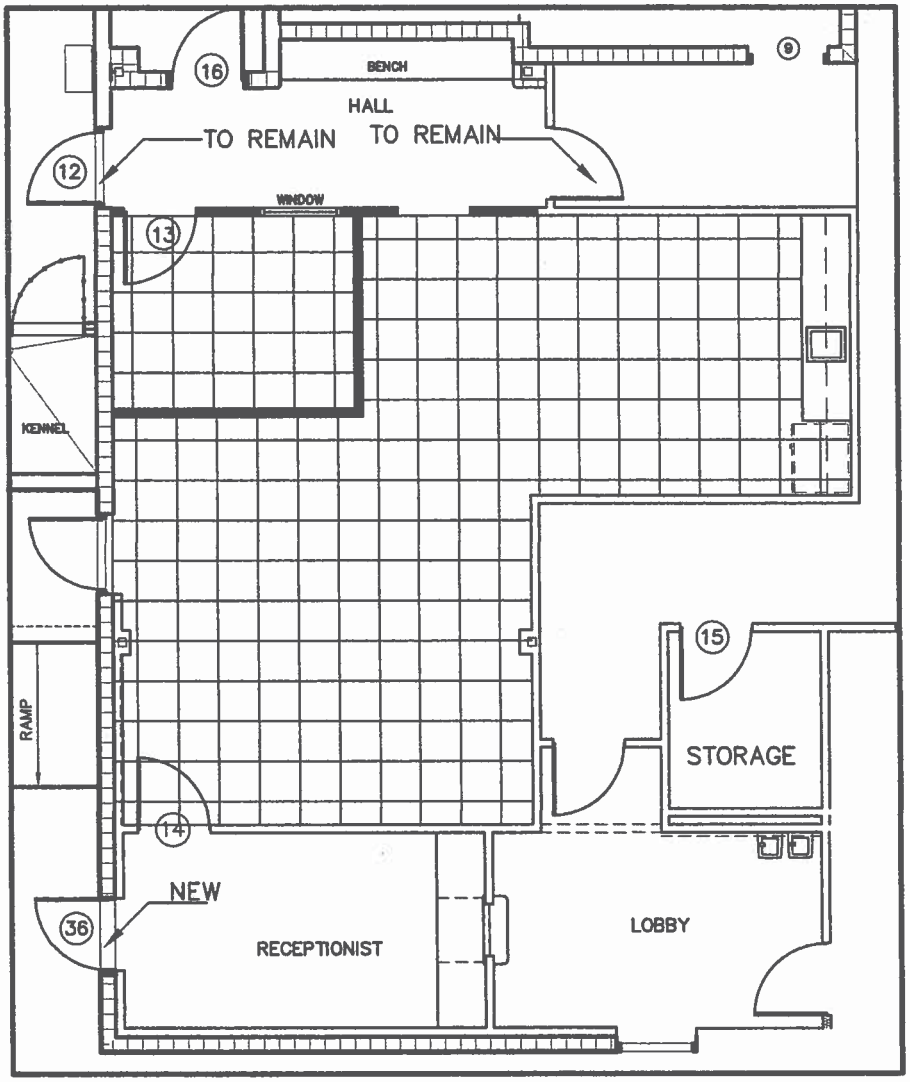
CONSTABLES OFFICE BUILDING
HIDALGO COUNTY PCT 1

PART OF CHANGE ORDER NO.1

Alcocer Garcia Associates, inc.
1333 E. Jasmine Ave.
McAllen, Texas 78501
Office: 956.618.2007
Fax: 956.618.2008

AGA

DATE: 04.01.13



NORTH

REVISED FLOORING PATTERN

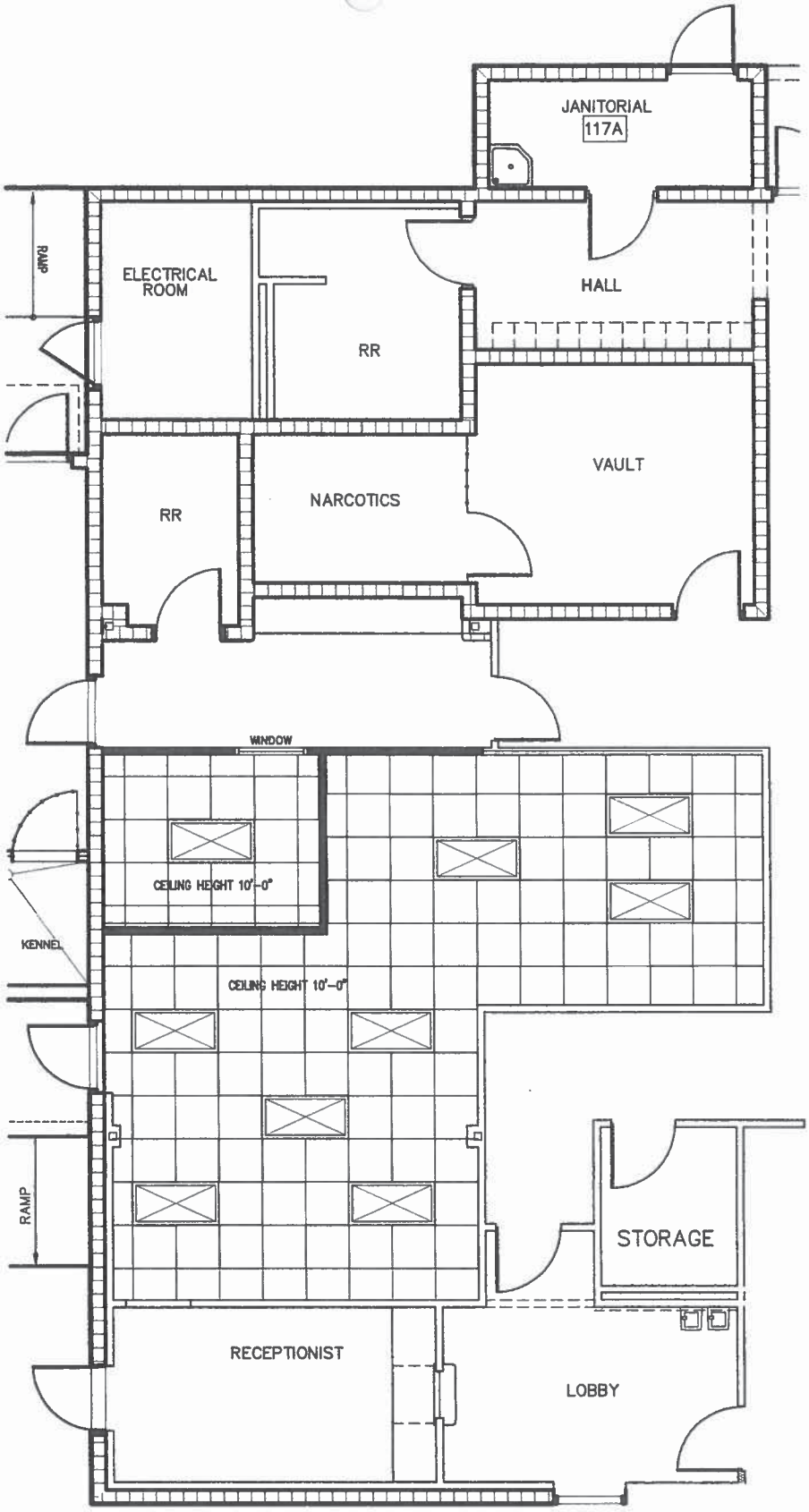
SCALE: 1/8" = 1'-0"

CONSTABLES OFFICE BUILDING
HIDALGO COUNTY PCT 1
REVISED FLOORING PATTERN

Alcocer Garcia Associates, Inc.
1333 E. Jasmine Ave.
McAllen, Texas 78501
Office: 956.618.2007
Fax: 956.618.2008

AGA

APRIL 12, 2013



NORTH

REVISED REFLECTED CEILING PLAN

SCALE: 1/8" = 1'-0"

REGISTERED ARCHITECT
GEORGE A GARCIA
5476
STATE OF TEXAS

4-1-13

LICENSE EXPIRATION DATE: 08.31.13

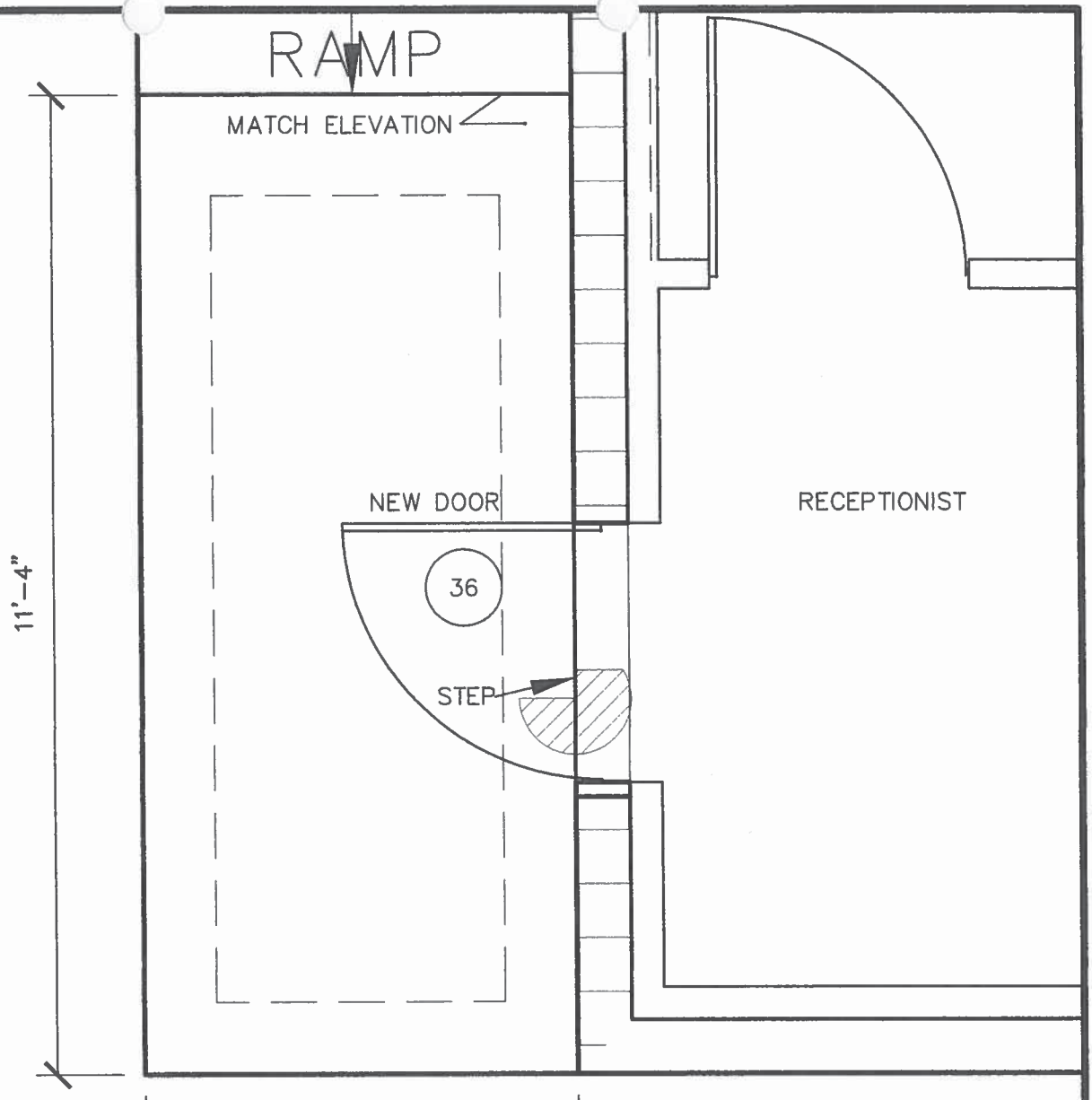
CONSTABLES OFFICE BUILDING
HIDALGO COUNTY PCT 1

PART OF CHANGE ORDER NO.1

Alcocer Garcia Associates, Inc.
1333 E. Jasmine Ave.
McAllen, Texas 78501
Office: 956.618.2007
Fax: 956.618.2008

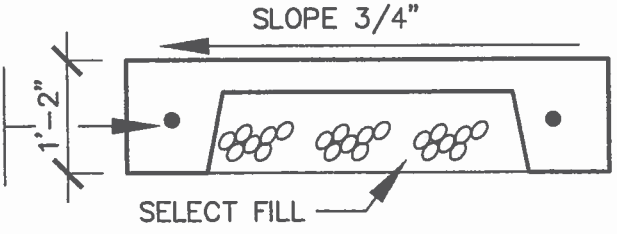
AGA

DATE: 04.01.13

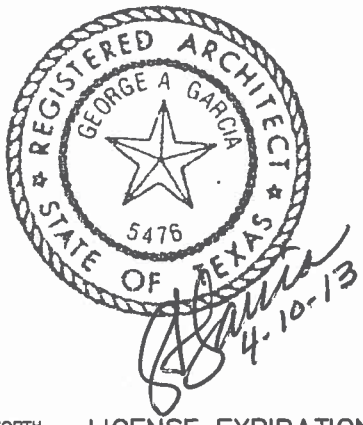


ROUGH BROOM
FINISH SURFACE

2,800 PSI CONCRETE
#5 REBAR ALL
AROUND



SIDEWALK DETAIL
SCALE: 1/2"=1'-0"



NORTH

LICENSE EXPIRATION
DATE: 08.31.13

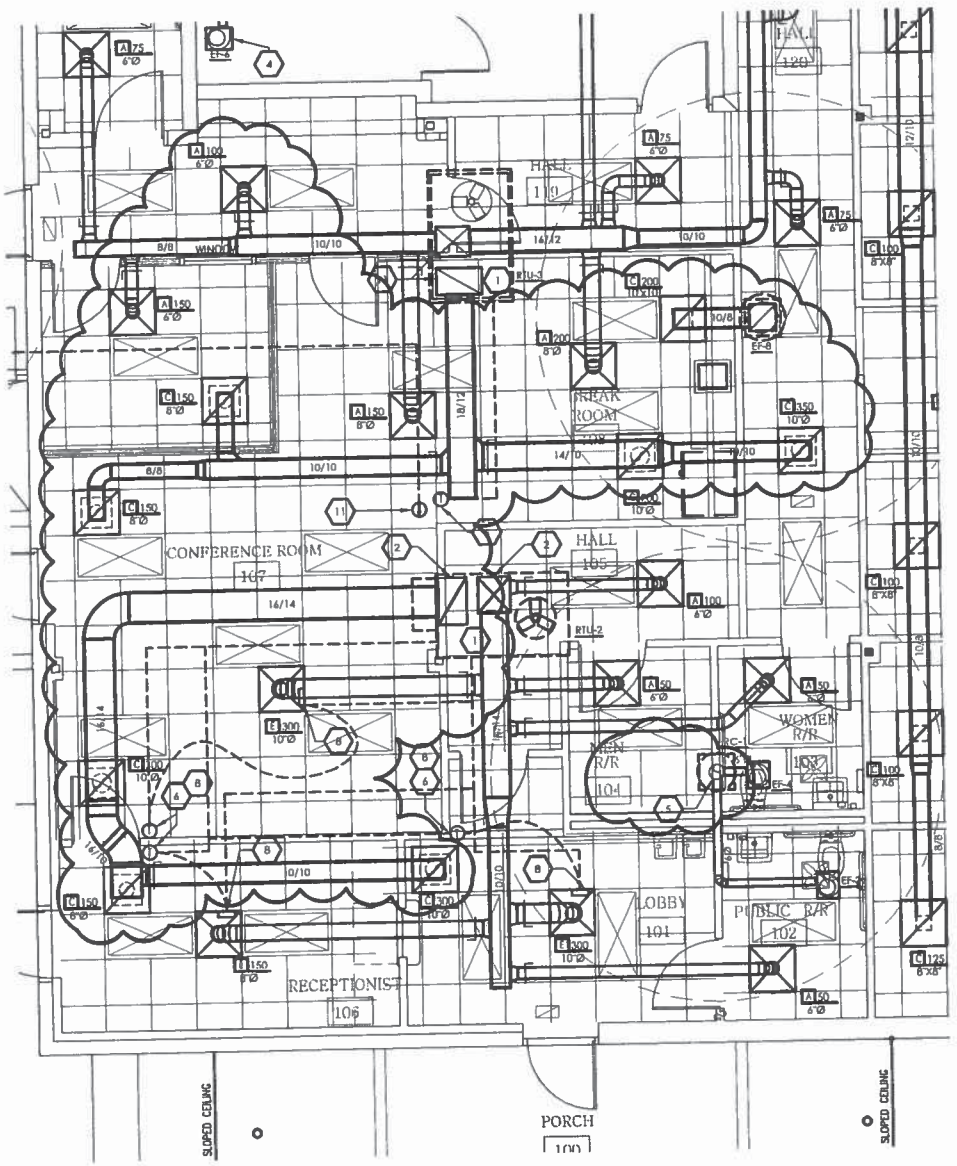
CONSTABLES OFFICE BUILDING
HIDALGO COUNTY PCT 1

PART OF CHANGE ORDER NO.1

Alcocer Garcia Associates, inc.
1333 E. Jasmine Ave.
McAllen, Texas 78501
Office: 956.618.2007
Fax: 956.618.2008

AGA

DATE: 04.10.13



NORTH

MECHANICAL FLOOR PLAN

SCALE: 1/8" = 1'-0"

TRINITY
MEP ENGINEERING
3533 Moreland Dr. Ste A | Weslaco, Tx 78596
p:956.973.0500 | f:956-351-5750
www.trinitymep.com | Copyright 2011
Texas Registered Engineering Firm - F10362
Project number:112.01

REVISION
04/05/13

STATE OF TEXAS
LEONARDO MUNOZ
97437
LICENSED
PROFESSIONAL ENGINEER

AGA, inc.
Alcócer García Associates, inc.
1333 E. Jasmine Ave.
McAllen, Texas 78501
Office: 956.618.2007
Fax: 956.618.2008
Web: WWW.ACADC.COM

CONSTABLE'S OFFICE BUILDING
HIDALGO COUNTY PRECINCT No. 1

1900 JOE STEPHENS
WESLACO, TEXAS

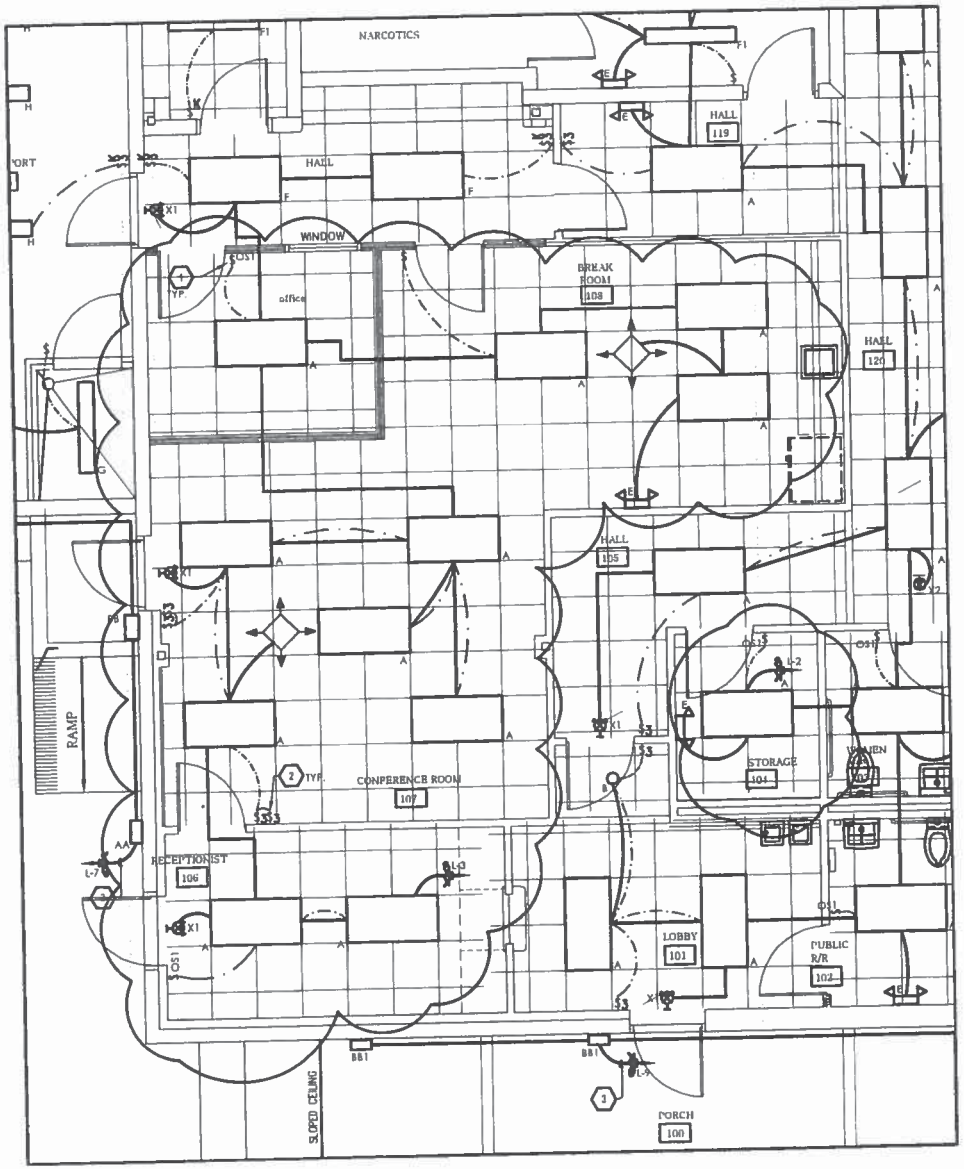
THE USE OF THESE DRAWINGS IS RESTRICTED TO THE ORIGINAL PURPOSE FOR WHICH THEY WERE INTENDED. REPRODUCTION WITHOUT WRITTEN PERMISSION FROM THE OWNER IS PROHIBITED.

ARCHITECT:
GEORGE A. GARCIA

DATE: 08-24-11

PROJECT # 112.01
ISSUED: 12/5/2012
DRAWN BY: TRINITY CAD
CHECKED BY: LM
FILE NAME:
SHEET:

M1.1



NORTH

ELECTRICAL LIGHTING PLAN

SCALE: 1/8" = 1'-0"

TRINITY
MEP ENGINEERING
3533 Moreland Dr. Ste A | Weslaco, Tx 78596
p:956.973.0500 | f:956-351-5750
www.trinitymep.com | Copyright 2011
Texas Registered Engineering Firm - F10382
Project number:112.01

REVISION
04/5/13

STATE OF TEXAS
LEONARDO MUNOZ
97437
LICENSED PROFESSIONAL ENGINEER

AGA, inc.
Alcocer Garcia Associates, inc.
1333 E. Jasmine Ave.
McAllen, Texas 78501
Office: 956.618.2007
Fax: 956.618.2008
Web: WWW.AGAOC.COM

CONSTABLE'S OFFICE BUILDING
HIDALGO COUNTY PRECINCT No. 1

1900 JOE STEPHENS
WESLACO, TEXAS

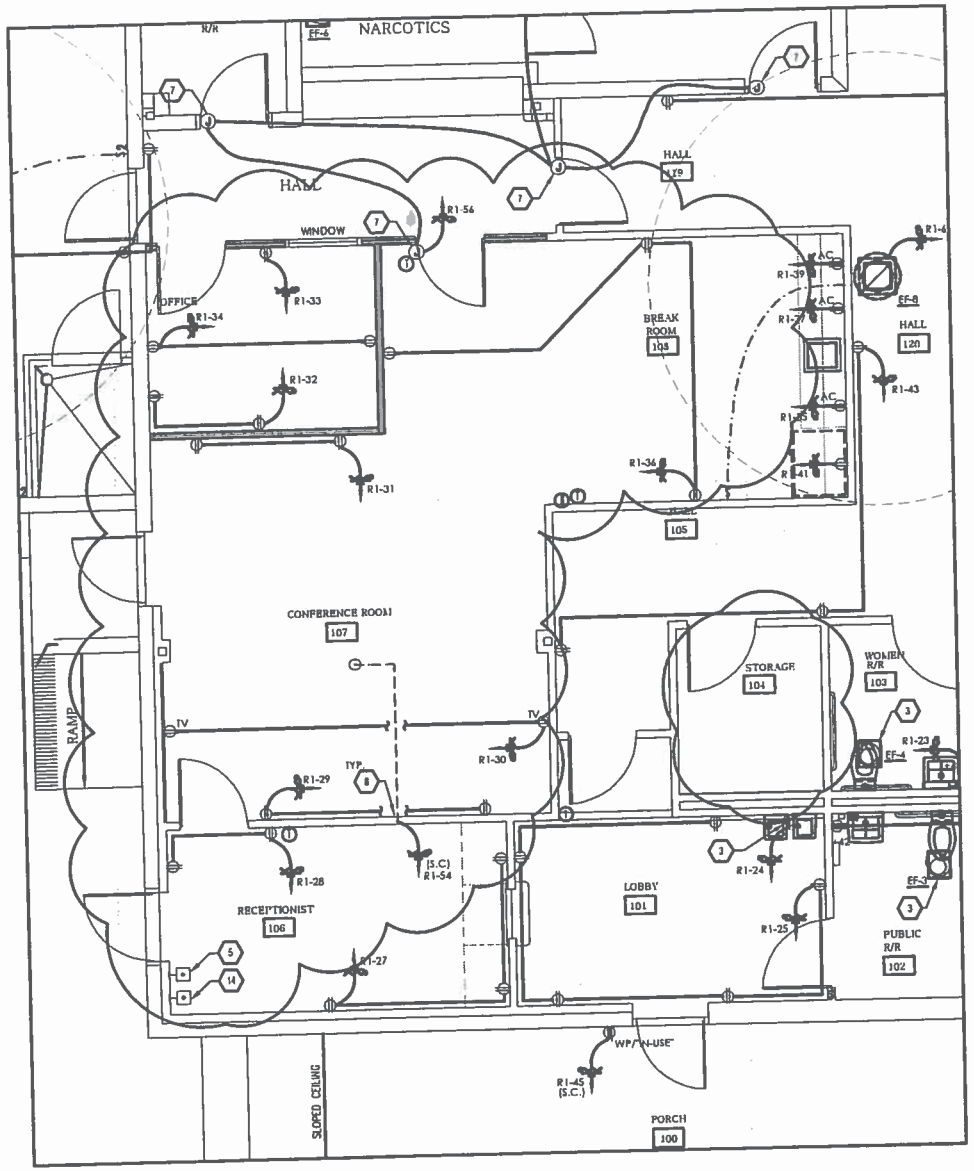
THE USE OF THESE DRAWINGS IS RESTRICTED TO THE ORIGINAL PURPOSE FOR WHICH THEY WERE INTENDED. REPRODUCTION WITHOUT WRITTEN PERMISSION FROM THE OWNER IS PROHIBITED.

ARCHITECT:
GEORGE A. GARCIA

DATE: 08-24-11

PROJECT # 112.01
ISSUED: 12/5/2012
DRAWN BY: TRINITY CAD
CHECKED BY: LM
FILE NAME:
SHEET:

E1.1



NORTH

ELECTRICAL POWER PLAN

SCALE: 1/8" = 1'-0"

TRINITY
MEP ENGINEERING
3533 Moreland Dr, Ste A | Weslaco, Tx 78596
p:956.973.0600 | f:956-351-6750
www.trinitymep.com | Copyright 2011
Texas Registered Engineering Firm - F10362
Project number:112.01

REVISION
04/5/13

STATE OF TEXAS
LEONARDO MUNOZ
97437
LICENSED
PROFESSIONAL ENGINEER

AGA, inc.
Alcócer García Associates, Inc.
1333 E. Jasmine Ave
McAllen, Texas 78501
Office: 956.618.2007
Fax: 956.618.2008
Web: WWW.ACADC.COM

CONSTABLE'S OFFICE BUILDING
HIDALGO COUNTY PRECINCT No. 1

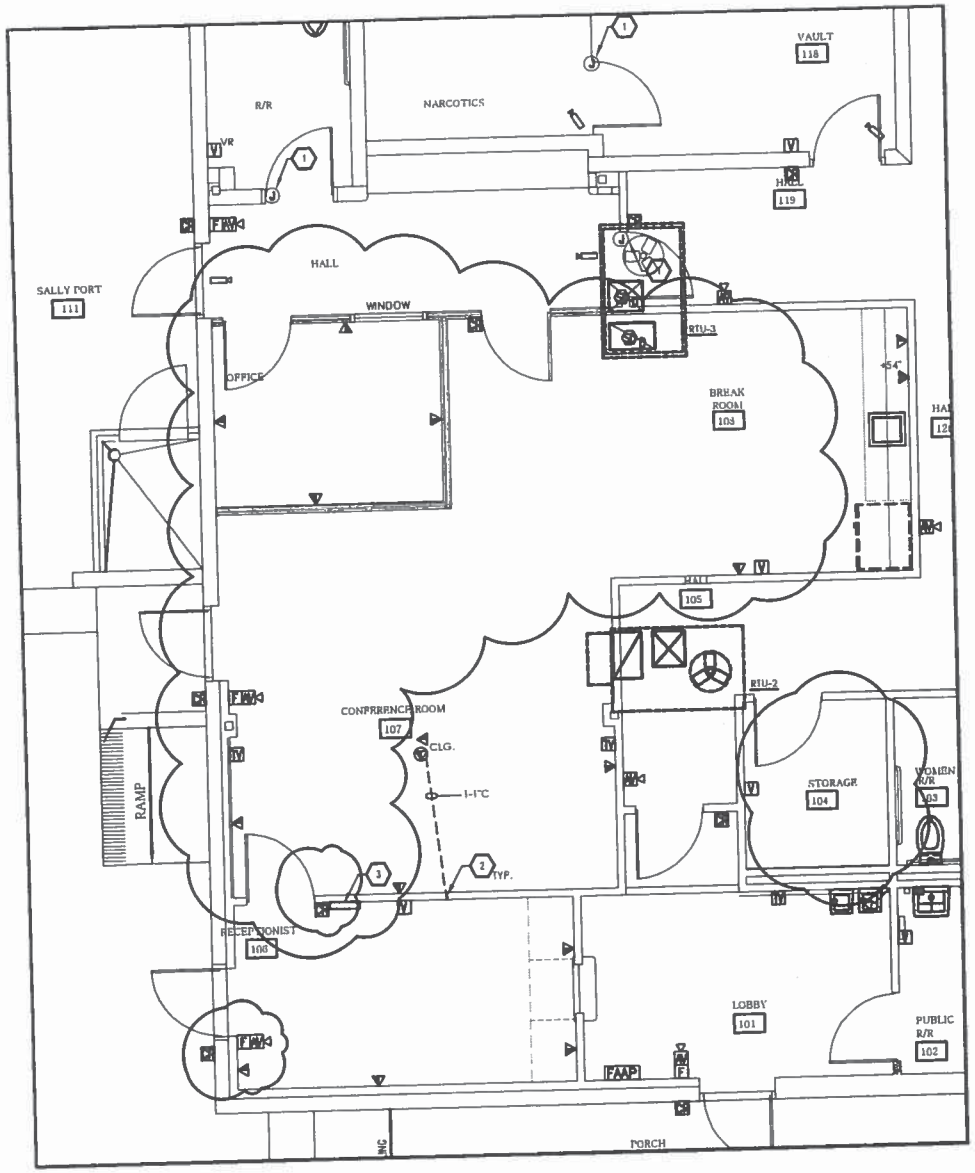
1900 JOE STEPHENS
WESLACO, TEXAS

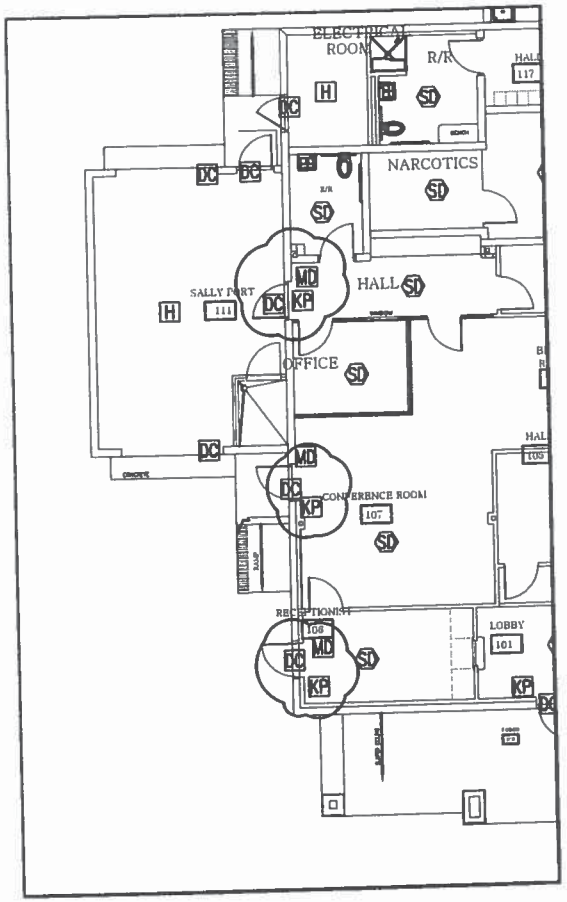
THE USE OF THESE DRAWINGS IS RESTRICTED TO THE ORIGINAL PURPOSE FOR WHICH THEY WERE PREPARED. REPRODUCTION WITHOUT WRITTEN PERMISSION FROM THE OWNER IS PROHIBITED.

ARCHITECT:
GEORGE A. GARCIA
DATE: 08-24-11

PROJECT # 112.01
ISSUED: 12/5/2012
DRAWN BY: TRINITY CAD
CHECKED BY: LM
FILE NAME:
SHEET:

E2.1





NORTH

ELECTRICAL SPECIAL SYSTEM

SCALE: 1/8" = 1'-0"

REVISION
04/5/13

TRINITY
MEP ENGINEERING
3533 Moreland Dr. Ste A I Weslaco, Tx 78596
p:956.973.0500 I f:956-351-6750
www.trinitymep.com I Copyright 2011
Texas Registered Engineering Firm - F10382
Project number:112.01

STATE OF TEXAS
LEONARDO MUNOZ
97437
LICENSED
PROFESSIONAL ENGINEER

AGA, inc.
Alcócer García Associates, inc.
1333 E. Jasmine Ave.
McAllen, Texas 78501
Office: 956.618.2007
Fax: 956.618.2008
Web: WWW.ACAOC.COM

CONSTABLE'S OFFICE BUILDING
HIDALGO COUNTY PRECINCT No. 1

1900 JOE STEPHENS
WESLACO, TEXAS

THE USE OF THESE DRAWINGS IS RESTRICTED TO THE ORIGINAL PURPOSE FOR WHICH THEY WERE INTENDED. REPRODUCTION WITHOUT WRITTEN PERMISSION FROM THE OWNER IS PROHIBITED.

ARCHITECT:
GEORGE A. GARCIA

DATE: 08-24-11

PROJECT # 112.01
ISSUED: 12/5/2012
DRAWN BY: TRINITY CAD
CHECKED BY: LM
FILE NAME:
SHEET:

E3.1

APPROVED

AI-38303 **Purchasing Department** **21. B. 1.**
CC REGULAR
Meeting Date: 04/30/2013
Submitted For: Martha L. Salazar **Submitted By:** Vangie Garcia, PURCHASING DEPT.
Department: PURCHASING DEPT.

Information

CAPTION

a. Acceptance and approval to increase original PO#680750 for Holchemont LTD. as approved by the Architect of record "Alcocer Garcia Associates" thru **AIA Document G701-2001 Change Order #001** in the amount of **$47,697.86** for change request as outlined in the Summary Of Change Order No. 1 to include but not limited to an **extension of Seventy Eight (78) days** for the continuation of construction at Pct. #1 Constable Building; in addition to

b. AIA Document G701-2001 Change Order #002 request to utilize the amount of $1,986.11 of the $7,800.00 Betterment Allowance as defined under page 3 of the AIA Contract Document A101-2007, 4.4 of Article 4 Contract Sum.

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2013 **ACCT. #:** 3-1336-421-00-220-042-0-720
FUNDS AVAILABLE Y/N?: Y/Pending **MATCHING FUNDS Y/N?:**
BUDGETARY IMPACT:
Pending transfer (AI #38332).

Attachments

Change Order 001
Change Order 002
Article 4 of AIA Document A101-2007

Form Review

Inbox	Reviewed By	Date
Purchasing Department	Darlene Betancourt	04/25/2013 11:09 AM
Budget & Management	Angela Garcia	04/25/2013 01:24 PM
Olga Garza	Olga Garza	04/26/2013 03:48 PM
Auditor's Office	Angela Garcia	04/26/2013 05:17 PM

Form Started By: Vangie Garcia Started On: 04/18/2013 02:33 PM
Final Approval Date: 04/26/2013

SPECIAL MEETING - APRIL 30, 2013

BE IT REMEMBERED, that on this 30th day of April A.D., 2013, there was begun and held a SPECIAL MEETING of the Honorable Commissioners' Court of Hidalgo County, Texas, wherein the following members thereof were present, to-wit:

HONORABLE RAMON GARCIA	**HIDALGO COUNTY JUDGE**
HONORABLE A.C. CUELLAR, JR.	**COMMISSIONER, PRECINCT NO. 1**
HONORABLE HECTOR "TITO" PALACIOS	**COMMISSIONER, PRECINCT NO. 2**
HONORABLE JOE M. FLORES	**COMMISSIONER, PRECINCT NO. 3**
HONORABLE JOSEPH PALACIOS	**COMMISSIONER, PRECINCT NO. 4**

and ARTURO GUAJARDO, JR., COUNTY CLERK & EX-OFICIO CLERK OF THE COMMISSIONERS' COURT of Hidalgo County, Texas, wherein the following proceedings were had, to-wit:

b. Cease all negotiations with the number one-LSNB and proceed to re-advertise the project as no other applicants can be considered as all required services are not available with current bank FNB remaining in place until such time as new depository and lockbox agreements are awarded as per statute.

NO ACTION taken on this item.

B. **Pct. 1**

1. a. Acceptance and approval to increase original PO#680750 for Holchemont LTD. as approved by the Architect of record "Alcocer Garcia Associates" thru **AIA Document G701-2001 Change Order #001** in the amount of **$47,697.86** for change request as outlined in the Summary Of Change Order No. 1 to include but not limited to an **extension of Seventy Eight (78) days** for the continuation of construction at Pct. #1 Constable Building; in addition to

On motion byCOMMISSIONER, PCT. 1 A.C. CUELLAR, JR., seconded byCOMMISSIONER, PCT. 4 JOSEPH PALACIOS, the Court made a UNANIMOUS vote of approval.
Vote: 4 - 0 - Unanimously

b. AIA Document G701-2001 Change Order #002 request to utilize the amount of $1,986.11 of the $7,800.00 Betterment Allowance as defined under page 3 of the AIA Contract Document A101-2007, 4.4 of Article 4 Contract Sum.

On motion by COMMISSIONER, PCT. 4 JOSEPH PALACIOS, seconded by COMMISSIONER, PCT. 1 A.C. CUELLAR, JR. , the Court made a UNANIMOUS vote of approval.

Vote: 4 - 0 - Unanimously

2. a. Pursuant to Texas Local Government Code, 263.151, discussion and approval to declare as "surplus" as show in exhibit "A" including establishing a total fair market value in the amount of $722,998.36.

b. Discussion, consideration and approval of an order of the County of Hidalgo authorizing the sale of certain personal property to the Hidalgo County Drainage District Number One.

NO ACTION taken on items 21.B.2.a & b.

3. Requesting approval of the following claim/invoice with authority for the County Treasurer to issue payment/check after review, audit and processing procedures are completed by the County Auditor.

AIA® Document A101™ – 2007

Standard Form of Agreement Between Owner and Contractor where the basis of payment is a Stipulated Sum

AGREEMENT made as of the 24th day of July in the year 2012
(In words, indicate day, month and year)

BETWEEN the Owner:
(Name, legal status, address and other information)

County of Hidalgo
1615 South Closner, Suite J
Edinburg, Texas 78539

and the Contractor:
(Name, legal status, address and other information)

Holchemont, LTD.
900 North Main Street
McAllen, Texas 78501

for the following Project:
(Paragraphs deleted)
Construction Of A New Constable Precinct No. 1 Offices to consist of 4245Sq. Ft. located at Joe Stevens Blvd., Weslaco, Texas

The Architect:
(Name, legal status, address and other information)
Alcocer-Garcia Associates, Inc.
1333 E. Jasmine Avenue
McAllen, Texas 78501

The Owner and Contractor agree as follows.

ADDITIONS AND DELETIONS:
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201™–2007, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

Init.

AIA Document A101™ – 2007. Copyright © 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1967, 1974, 1977, 1987, 1991, 1997 and 2007 by The American Institute of Architects. **All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:54:44 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (1901279586)

TABLE OF ARTICLES

1 THE CONTRACT DOCUMENTS

2 THE WORK OF THIS CONTRACT

3 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

4 CONTRACT SUM

5 PAYMENTS

6 DISPUTE RESOLUTION

7 TERMINATION OR SUSPENSION

8 MISCELLANEOUS PROVISIONS

9 ENUMERATION OF CONTRACT DOCUMENTS

10 INSURANCE AND BONDS

ARTICLE 1 THE CONTRACT DOCUMENTS

The Contract Documents consist of this Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of this Agreement, other documents listed in this Agreement and Modifications issued after execution of this Agreement, all of which form the Contract, and are as fully a part of the Contract as if attached to this Agreement or repeated herein. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. An enumeration of the Contract Documents, other than a Modification, appears in Article 9.

ARTICLE 2 THE WORK OF THIS CONTRACT

The Contractor shall fully execute the Work described in the Contract Documents, except as specifically indicated in the Contract Documents to be the responsibility of others.

ARTICLE 3 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

§ 3.1 The date of commencement of the Work shall be the date of this Agreement unless a different date is stated below or provision is made for the date to be fixed in a notice to proceed issued by the Owner.

(Insert the date of commencement if it differs from the date of this Agreement or, if applicable, state that the date will be fixed in a notice to proceed.)

Date will be in the Notice to Proceed.

If, prior to the commencement of the Work, the Owner requires time to file mortgages and other security interests, the Owner's time requirement shall be as follows:

3.1.1 Liquidated Damages: Owner and Contractor recognize that time is of the essence in this Agreement and that Owner will suffer financial loss if the Work is not completed within the time specified in this Article 3 above, plus any extension thereof allowed in accordance with Article 8 of the General Conditions. Owner and Contractor also recognize the delays, expense and difficulties involved in providing in a legal proceeding, the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring such proof, Owner and Contractor agree that as liquidated damages for delay (but not as penalty) Contractor shall pay Owner, One Hundred Fifty Dollars ($150.00) per calendar day after the time specified in Paragraph 3.1 for Substantial Completion until the work is substantially complete.

Init.

AIA Document A101™ – 2007. Copyright © 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1967, 1974, 1977, 1987, 1991, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:54:44 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.

User Notes: (1901279586)

§ 3.2 The Contract Time shall be measured from the date of commencement.

§ 3.3 The Contractor shall achieve Substantial Completion of the entire Work not later than (275) days from the date of commencement, or as follows:
(Insert number of calendar days. Alternatively, a calendar date may be used when coordinated with the date of commencement. If appropriate, insert requirements for earlier Substantial Completion of certain portions of the Work.)

Portion of Work	Substantial Completion Date

, subject to adjustments of this Contract Time as provided in the Contract Documents.
(Insert provisions, if any, for liquidated damages relating to failure to achieve Substantial Completion on time or for bonus payments for early completion of the Work.)

See 3.1.1 above.

ARTICLE 4 CONTRACT SUM

§ 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be Seven Hundred and Twenty Four Thousand ($724,000.00), subject to additions and deductions as provided in the Contract Documents.

§ 4.2 The Contract Sum is based upon the following alternates, if any, which are described in the Contract Documents and are hereby accepted by the Owner:
(State the numbers or other identification of accepted alternates. If the bidding or proposal documents permit the Owner to accept other alternates subsequent to the execution of this Agreement, attach a schedule of such other alternates showing the amount for each and the date when that amount expires.)

§ 4.3 Unit prices, if any:
(Identify and state the unit price; state quantity limitations, if any, to which the unit price will be applicable.)

Item	Units and Limitations	Price Per Unit ($ 0.00)

§ 4.4 Allowances included in the Contract Sum, if any:
(Identify allowance and state exclusions, if any, from the allowance price.)

Betterment Allowance	
Contingency/Betterment Allowance	$5,000.00
Addendum No.1-Waterline Extensions Allowance	$2,800.00
TOTAL AMOUNT	$7,800.00

4.5 Commitment of Current Revenues Only. In the event that, during any term hereof, the governing body of any party does not appropriate sufficient funds to meet the obligations of such party under this Agreement, then any party may terminate this Contract upon ninety (90) days written notice to the other party. Each of the parties hereto agrees, however, to use its best efforts to secure funds necessary for the continued performance of this Contract. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of each party hereto pursuant to the provisions of Tex. Loc. Govt. Code Ann. '271.903.

Init.

AIA Document A101™ – 2007. Copyright © 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1967, 1974, 1977, 1987, 1991, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:54:44 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (1901279586)

ARTICLE 5 PAYMENTS

§ 5.1 PROGRESS PAYMENTS

§ 5.1.1 Based upon Applications for Payment submitted to the Architect by the Contractor and Certificates for Payment issued by the Architect and reviewed by the Construction Manager (as such term is hereinafter defined), as evidenced by the Construction Manager's signature, the Owner shall make progress payments on account of the Contract Sum to the Contractor as provided below and elsewhere in the Contract Documents.

§ 5.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

§ 5.1.3 Provided that an Application for Payment is received by the Architect not later than the **30th** day of a month, the Owner shall make payment of the certified amount to the Contractor not later than **the fifth day following approval by Commissioners Court.** .
(Federal, state or local laws may require payment within a certain period of time.)

§ 5.1.4 Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Owner, Construction Manager, and Architect may require. This schedule, unless objected to by the Architect or the Owner and Construction Manager, shall be used as a basis for reviewing the Contractor's Applications for Payment. For purposes of this Agreement "Construction Manager" is defined as G.A.S. Enterprises, Inc.

§ 5.1.5 Applications for Payment shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment.

§ 5.1.6 Subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

.1 Take that portion of the Contract Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Work by the share of the Contract Sum allocated to that portion of the Work in the schedule of values, less retainage of Five Percent (5 %). Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute shall be included as provided in Section 7.3.9 of AIA Document A201™–2007, General Conditions of the Contract for Construction, **as modified by Owner and attached hereto as Exhibit** ;

.2 Add that portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction (or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing), less retainage of Five Percent (5 %);

.3 Subtract the aggregate of previous payments made by the Owner; and

.4 Subtract amounts, if any, for which the Architect has withheld or nullified a Certificate for Payment as provided in Section 9.5 of AIA Document A201–2007, **as modified by Owner and attached hereto as Exhibit ""**;

§ 5.1.7 The progress payment amount determined in accordance with Section 5.1.6 shall be further modified under the following circumstances:

.1 Add, upon Substantial Completion of the Work, a sum sufficient to increase the total payments to the full amount of the Contract Sum, less such amounts as the Construction Manager and the Architect shall determine for incomplete Work, retainage applicable to such work and unsettled claims; and
(Section 9.8.5 of AIA Document A201–2007 requires release of applicable retainage upon Substantial Completion of Work with consent of surety, if any.)

.2 Add, if final completion of the Work is thereafter materially delayed through no fault of the Contractor, any additional amounts payable in accordance with Section 9.10.3 of AIA Document A201–2007, **as modified by Owner and attached hereto as Exhibit ""**;

Init.

AIA Document A101™ – 2007. Copyright © 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1967, 1974, 1977, 1987, 1991, 1997 and 2007 by The American Institute of Architects. **All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:54:44 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (1901279586)

§ 5.1.8 Reduction or limitation of retainage, if any, shall be as follows:
(If it is intended, prior to Substantial Completion of the entire Work, to reduce or limit the retainage resulting from the percentages inserted in Sections 5.1.6.1 and 5.1.6.2 above, and this is not explained elsewhere in the Contract Documents, insert here provisions for such reduction or limitation.)

Not Applicable

§ 5.1.9 Except with the Owner's prior approval, the Contractor shall not make advance payments to suppliers for materials or equipment which have not been delivered and stored at the site.

§ 5.2 FINAL PAYMENT

§ 5.2.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Contractor when

.1 the Contractor has fully performed the Contract except for the Contractor's responsibility to correct Work as provided in Section 12.2.2 of AIA Document A201–2007, **as modified by Owner and attached hereto as Exhibit "C"**; and to satisfy other requirements, if any, which extend beyond final payment; and

.2 a final Certificate for Payment has been issued by the Architect. The Architect may not issue the final Certificate for Payment until it has been reviewed by the Construction Manager and approved by the Owner.

§ 5.2.2 The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the Architect's final Certificate for Payment **and upon acceptance by the Owner and Architect, and after satisfactory evidence has been given by the Contractor that all his bills have been paid and the entire project is free from liens.**

ARTICLE 6 DISPUTE RESOLUTION

§ 6.1 INITIAL DECISION MAKER

The Architect will serve as Initial Decision Maker pursuant to Section 15.2 of AIA Document A201–2007, **as modified by Owner and attached hereto as Exhibit "",** unless the parties appoint below another individual, not a party to this Agreement, to serve as Initial Decision Maker.
(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)

§ 6.2 BINDING DISPUTE RESOLUTION

For any Claim subject to, but not resolved by, mediation pursuant to Section 15.3 of AIA Document A201–2007, **as modified by Owner and attached hereto as Exhibit "",** the method of binding dispute resolution shall be as follows:
(Check the appropriate box. If the Owner and Contractor do not select a method of binding dispute resolution below, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.)

[ ] Arbitration pursuant to Section 15.4 of AIA Document A201–2007

[X] Litigation in a court of competent jurisdiction

[ ] Other *(Specify)*

Init.

AIA Document A101™ – 2007. Copyright © 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1967, 1974, 1977, 1987, 1991, 1997 and 2007 by The American Institute of Architects. **All rights reserved.** WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:54:44 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (1901279586)

ARTICLE 7 TERMINATION OR SUSPENSION

§ 7.1 The Contract may be terminated by the Owner or the Contractor as provided in Article 14 of AIA Document A201–2007.

§ 7.2 The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201–2007.

ARTICLE 8 MISCELLANEOUS PROVISIONS

§ 8.1 Where reference is made in this Agreement to a provision of AIA Document A201–2007 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 8.2 Payments due and unpaid under the Contract shall bear interest from the date payment is due at the rate stated below, or in the absence thereof, at the legal rate prevailing from time to time at the place where the Project is located.
(Insert rate of interest agreed upon, if any.)

§ 8.3 The Owner's representative:
(Name, address and other information)
Hidalgo County Commissioner's Court and _____, as referenced in the AIA A201-2007 General Conditions, as modified by the Owner in Section 2.1.1. as authorized representatives.

§ 8.4 The Contractor's representative:
(Name, address and other information)

Holchemont, LTD.
Micahel Che Montalvo
900 North Main Street
McAllen, Texas 78501

§ 8.5 Neither the Owner's nor the Contractor's representative shall be changed without ten days written notice to the other party.

§ 8.6 Other provisions:

ARTICLE 9 ENUMERATION OF CONTRACT DOCUMENTS

§ 9.1 The Contract Documents, except for Modifications issued after execution of this Agreement, are enumerated in the sections below.

§ 9.1.1 The Agreement is this executed AIA Document A101–2007, Standard Form of Agreement Between Owner and Contractor, **as modified by Owner and attached hereto as Exhibit "",**

§ 9.1.2 The General Conditions are AIA Document A201–2007, General Conditions of the Contract for Construction, **as modified by Owner and attached hereto as Exhibit "".**

§ 9.1.3 The Supplementary and other Conditions of the Contract: Not Applicable.

Document	Title	Date	Pages

§ 9.1.4 The Specifications:
(Either list the Specifications here or refer to an exhibit attached to this Agreement.)

AIA Document A101™ – 2007. Copyright © 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1967, 1974, 1977, 1987, 1991, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:54:44 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (1901279586)

Section	Title	Date	Pages

§ 9.1.5 The Drawings:
(Either list the Drawings here or refer to an exhibit attached to this Agreement.)

Number	Title	Date

§ 9.1.6 The Addenda, if any:

Number	Date	Pages
Addendum No. 1	May 7, 2012	2
Addendum No. 2	May 8, 2012	8
Addendum No.3	May 9, 2012	3

Portions of Addenda relating to bidding requirements are not part of the Contract Documents unless the bidding requirements are also enumerated in this Article 9.

§ 9.1.7 Additional documents, if any, forming part of the Contract Documents:

.1 AIA Document E201™–2007 Digital Data Protocol Exhibit, if completed by the parties, or the following:

.2 Other documents, if any, listed below:
(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A201–2007 provides that bidding requirements such as advertisement or invitation to bid, Instructions to Bidders, sample forms and the Contractor's bid are not part of the Contract Documents unless enumerated in this Agreement. They should be listed here only if intended to be part of the Contract Documents.)

1. Exhibit '' Bid Form and Addendums from
2. Exhibit '' Project Manual (Specifications)
3. Exhibit '' AIA A201-2007, as modified by the Owner.
4. Exhibit '' Notice to Proceed
5. Exhibit '' Certificate of Insurance
6. Exhibit '' Performance and Payment Bonds

ARTICLE 10 INSURANCE AND BONDS

The Contractor shall purchase and maintain insurance and provide bonds as set forth in Article 11 of AIA Document A201–2007, **as modified by Owner and attached hereto as Exhibit "",**
*(State bonding requirements, if any, and limits of liability for insurance required in Article 11 of AIA Document A201–2007,,**as modified by Owner and attached hereto as Exhibit ""**).*

Type of insurance or bond	Limit of liability or bond amount ($ 0.00)

AIA Document A101™ – 2007. Copyright © 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1967, 1974, 1977, 1987, 1991, 1997 and 2007 by The American Institute of Architects. **All rights reserved.** WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:54:44 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (1901279586)

This Agreement entered into as of the day and year first written above and is executed in three (3) original copies, of which one is to be delivered to the Contractor, one to the Architect for use in the administration of the Contract, and the remainder to the Owner.

OWNER *(Signature)*

By: Ramon Garcia, County Judge
(Printed name and title)

CONTRACTOR *(Signature)* 8/2/12

By: Michael Che Montalvo Manager
(Printed name and title)

APPROVED AS TO FORM:
Allen Holt & Rodriguez LLP
By: SLC

(Signature)

By: Stephen L. Crain
(Printed name and title)

ATTEST:

(Signature)

By: Arturo Guajardo Jr., County Clerk
(Printed name and title)

Approved by Commissioners' Court
on 7/24/12 RO

AIA Document A101™ – 2007. Copyright © 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1967, 1974, 1977, 1987, 1991, 1997 and 2007 by The American Institute of Architects. **All rights reserved.** **WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:54:44 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (1901279586)

Init.
/

Additions and Deletions Report for
AIA® Document A101™ – 2007

This Additions and Deletions Report, as defined on page 1 of the associated document, reproduces below all text the author has added to the standard form AIA document in order to complete it, as well as any text the author may have added to or deleted from the original AIA text. Added text is shown underlined. Deleted text is indicated with a horizontal line through the original AIA text.

Note: This Additions and Deletions Report is provided for information purposes only and is not incorporated into or constitute any part of the associated AIA document. This Additions and Deletions Report and its associated document were generated simultaneously by AIA software at 16:54:44 on 07/20/2012.

PAGE 1

AGREEMENT made as of the 24th day of July in the year 2012
(In words, indicate day, month and ~~year.~~)year)

...

County of Hidalgo
1615 South Closner, Suite J
Edinburg, Texas 78539

...

Holchemont, LTD.
900 North Main Street
McAllen, Texas 78501

...

~~*(Name, location and detailed description)*~~

Construction Of A New Constable Precinct No. 1 Offices to consist of 4245Sq. Ft. located at Joe Stevens Blvd., Weslaco, Texas

...

Alcocer-Garcia Associates, Inc.
1333 E. Jasmine Avenue
McAllen, Texas 78501

PAGE 2

Date will be in the Notice to Proceed.

...

3.1.1 Liquidated Damages: Owner and Contractor recognize that time is of the essence in this Agreement and that Owner will suffer financial loss if the Work is not completed within the time specified in this Article 3 above, plus any extension thereof allowed in accordance with Article 8 of the General Conditions. Owner and Contractor also recognize the delays, expense and difficulties involved in providing in a legal proceeding, the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring such proof, Owner and Contractor

Additions and Deletions Report for AIA Document A101™ – 2007. Copyright © 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1967, 1974, 1977, 1987, 1991, 1997 and 2007 by The American Institute of Architects. **All rights reserved.** WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:54:44 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (1901279586)

agree that as liquidated damages for delay (but not as penalty) Contractor shall pay Owner, One Hundred Fifty Dollars ($150.00) per calendar day after the time specified in Paragraph 3.1 for Substantial Completion until the work is substantially complete.

PAGE 3

§ 3.3 The Contractor shall achieve Substantial Completion of the entire Work not later than ~~(~~ (275) days from the date of commencement, or as follows:

...

See 3.1.1 above.

...

§ 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be ~~($~~ Seven Hundred and Twenty Four Thousand ($724,000.00), subject to additions and deductions as provided in the Contract Documents.

...

Item	Units and Limitations	Price Per Unit ~~($0.00)~~($ 0.00)

...

Betterment Allowance	
Contingency/Betterment Allowance	$5,000.00
Addendum No.1-Waterline Extensions Allowance	$2,800.00
~~Item~~	~~Price~~
TOTAL AMOUNT	$7,800.00

4.5 Commitment of Current Revenues Only. In the event that, during any term hereof, the governing body of any party does not appropriate sufficient funds to meet the obligations of such party under this Agreement, then any party may terminate this Contract upon ninety (90) days written notice to the other party. Each of the parties hereto agrees, however, to use its best efforts to secure funds necessary for the continued performance of this Contract. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of each party hereto pursuant to the provisions of Tex. Loc. Govt. Code Ann. '271.903.

PAGE 4

§ 5.1.1 Based upon Applications for Payment submitted to the Architect by the Contractor and Certificates for Payment issued by the ~~Architect,~~ Architect and reviewed by the Construction Manager (as such term is hereinafter defined), as evidenced by the Construction Manager's signature, the Owner shall make progress payments on account of the Contract Sum to the Contractor as provided below and elsewhere in the Contract Documents.

...

§ 5.1.3 Provided that an Application for Payment is received by the Architect not later than the **30th** day of a month, the Owner shall make payment of the certified amount to the Contractor not later than **the** ~~day of the month. If an Application for Payment is received by the Architect after the application date fixed above, payment shall be made by the Owner not later than ( ) days after the Architect receives the Application for Payment.~~**fifth day following approval by Commissioners Court. .**

Additions and Deletions Report for AIA Document A101™ – 2007. Copyright © 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1967, 1974, 1977, 1987, 1991, 1997 and 2007 by The American Institute of Architects. **All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:54:44 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (1901279586)

...

§ 5.1.4 Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Owner, Construction Manager, and Architect may require. This schedule, unless objected to by ~~the Architect,~~ the Architect or the Owner and Construction Manager, shall be used as a basis for reviewing the Contractor's Applications for Payment. For purposes of this Agreement "Construction Manager" is defined as G.A.S. Enterprises, Inc.

...

.1 Take that portion of the Contract Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Work by the share of the Contract Sum allocated to that portion of the Work in the schedule of values, less retainage of ~~percent (~~ Five Percent (5 %). Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute shall be included as provided in Section 7.3.9 of AIA Document A201™–2007, General Conditions of the Contract for ~~Construction;~~Construction, **as modified by Owner and attached hereto as Exhibit ;**

.2 Add that portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction (or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing), less retainage of ~~percent (%);~~Five Percent (5 %);

...

.4 Subtract amounts, if any, for which the Architect has withheld or nullified a Certificate for Payment as provided in Section 9.5 of AIA Document ~~A201–2007.~~A201–2007, **as modified by Owner and attached hereto as Exhibit "";**

...

.1 Add, upon Substantial Completion of the Work, a sum sufficient to increase the total payments to the full amount of the Contract Sum, less such amounts as the Construction Manager and the Architect shall determine for incomplete Work, retainage applicable to such work and unsettled claims; and

...

.2 Add, if final completion of the Work is thereafter materially delayed through no fault of the Contractor, any additional amounts payable in accordance with Section 9.10.3 of AIA Document ~~A201–2007.~~A201–2007, **as modified by Owner and attached hereto as Exhibit "";**

Not Applicable

...

.1 the Contractor has fully performed the Contract except for the Contractor's responsibility to correct Work as provided in Section 12.2.2 of AIA Document A201–2007, **as modified by Owner and attached hereto as Exhibit "C";** and to satisfy other requirements, if any, which extend beyond final payment; and

.2 a final Certificate for Payment has been issued by the Architect. The Architect may not issue the final Certificate for Payment until it has been reviewed by the Construction Manager and approved by the Owner.

§ 5.2.2 The Owner's final payment to the Contractor shall be made no later than 30 days after the issuance of the Architect's final Certificate for ~~Payment, or as follows:~~Payment **and upon acceptance by the Owner and Architect,**

Additions and Deletions Report for AIA Document A101™ – 2007. Copyright © 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1967, 1974, 1977, 1987, 1991, 1997 and 2007 by The American Institute of Architects. **All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:54:44 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (1901279586)

and after satisfactory evidence has been given by the Contractor that all his bills have been paid and the entire project is free from liens.

...

The Architect will serve as Initial Decision Maker pursuant to Section 15.2 of AIA Document A201–2007, **as modified by Owner and attached hereto as Exhibit "",** unless the parties appoint below another individual, not a party to this Agreement, to serve as Initial Decision Maker.

...

For any Claim subject to, but not resolved by, mediation pursuant to Section 15.3 of AIA Document A201–2007, **as modified by Owner and attached hereto as Exhibit "",** the method of binding dispute resolution shall be as follows:

...

[X] Litigation in a court of competent jurisdiction

PAGE 6

%

...

Hidalgo County Commissioner's Court and _____, as referenced in the AIA A201-2007 General Conditions, as modified by the Owner in Section 2.1.1. as authorized representatives.

...

Holchemont, LTD.
Micahel Che Montalvo
900 North Main Street
McAllen, Texas 78501

...

§ 9.1.1 The Agreement is this executed AIA Document A101–2007, Standard Form of Agreement Between Owner and ~~Contractor.~~Contractor, **as modified by Owner and attached hereto as Exhibit "",**

§ 9.1.2 The General Conditions are AIA Document A201–2007, General Conditions of the Contract for ~~Construction.~~Construction, **as modified by Owner and attached hereto as Exhibit "".**

§ 9.1.3 The Supplementary and other Conditions of the Contract: Not Applicable.

PAGE 7

Addendum No. 1	May 7, 2012	2
Addendum No. 2	May 8, 2012	8
Addendum No.3	May 9, 2012	3

...

.1 AIA Document ~~E201™–2007,~~ E201™–2007 Digital Data Protocol Exhibit, if completed by the parties, or the following:

...

Additions and Deletions Report for AIA Document A101™ – 2007. Copyright © 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1967, 1974, 1977, 1987, 1991, 1997 and 2007 by The American Institute of Architects. **All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:54:44 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (1901279586)

(List here any additional documents that are intended to form part of the Contract Documents. AIA Document A201–2007 provides that bidding requirements such as advertisement or invitation to bid, Instructions to Bidders, sample forms and the Contractor's bid are not part of the Contract Documents unless enumerated in this Agreement. They should be listed here only if intended to be part of the Contract Documents.)

1. Exhibit '' Bid Form and Addendums from
2. Exhibit '' Project Manual (Specifications)
3. Exhibit '' AIA A201-2007, as modified by the Owner.
4. Exhibit '' Notice to Proceed
5. Exhibit '' Certificate of Insurance
6. Exhibit '' Performance and Payment Bonds

...

The Contractor shall purchase and maintain insurance and provide bonds as set forth in Article 11 of AIA Document ~~A201–2007.~~A201–2007, **as modified by Owner and attached hereto as Exhibit "",**
*(State bonding requirements, if any, and limits of liability for insurance required in Article 11 of AIA Document ~~A201–2007.)~~A201–2007, **as modified by Owner and attached hereto as Exhibit "").***

Type of insurance or bond	Limit of liability or bond amount ~~($0.00)~~($ 0.00)

PAGE 8

This Agreement entered into as of the day and year first written ~~above.~~above and is executed in three (3) original copies, of which one is to be delivered to the Contractor, one to the Architect for use in the administration of the Contract, and the remainder to the Owner.

OWNER *(Signature)*	**CONTRACTOR** *(Signature)* 8/2/12
By: Ramon Garcia, County Judge	By: Michael Che Montalvo Manager
(Printed name and title)	*(Printed name and title)*
APPROVED AS TO FORM: Atlas Hall & Rodriguez LLP By:	**ATTEST:**
~~**OWNER**~~ *(Signature)*	~~**CONTRACTOR**~~ *(Signature)*
By: Stephen L. Crain	By: Arturo Guajardo Jr., County Clerk

Approved by Commissioners' Court on 7/24/12 RO

Additions and Deletions Report for AIA Document A101™ – 2007. Copyright © 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1967, 1974, 1977, 1987, 1991, 1997 and 2007 by The American Institute of Architects. **All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:54:44 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (1901279586)

Certification of Document's Authenticity

AIA® Document D401™ – 2003

I, Hidalgo County Judge Ramon Garcia, hereby certify, to the best of my knowledge, information and belief, that I created the attached final document simultaneously with its associated Additions and Deletions Report and this certification at 16:54:44 on 07/20/2012 under Order No. 1180968477_1 from AIA Contract Documents software and that in preparing the attached final document I made no changes to the original text of AIA® Document A101™ – 2007, Standard Form of Agreement Between Owner and Contractor where the basis of payment is a Stipulated Sum, as published by the AIA in its software, other than those additions and deletions shown in the associated Additions and Deletions Report.

(Signed)

County Judge

(Title)

8-22-12

(Dated)

Approved by Commissioners' Court
on 7/24/12

AIA Document D401™ – 2003. Copyright © 1992 and 2003 by The American Institute of Architects. **All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:54:44 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (1901279586)

HOLCHEMONT, LTD.

PROPOSAL

FOR CONSTRUCTION SERVICES

BID-2012-028-05-09-MSS-
HIDALGO COUNTY
CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES

WESLACO, TEXAS

County's Purchasing Department
2802 S. Business Hwy 281
Edinburg, TEXAS 78541
Wednesday, May 09, 2012 at 03:00PM

Respectfully Submitted By:
HOLCHEMONT, LTD.
900 N. Main Street McAllen, Texas 78501
O: 956 686 2901 F: 956 686 2925

HIDALGO COUNTY PCT. 1 NEW CONSTABLE OFFICES

ALLOWANCES:

BETTERMENT	specs	$5,000.00
Water line extension	addendum	$2,800.00
		$7,800.00

THE ABOVE LISTED ALLOWANCES ARE INCLUDED IN BASE BID.

SUBMITTED BY: MICHAEL CHE MONTALVO
HOLCHEMONT LTD.
9-May-12

PURCHASING DEPARTMENT
County Of Hidalgo

May 7, 2012

RE: ADDENDUM NO. 1
Project No.: 2012-028-05-09-MSS
Hidalgo County- "CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES "

Dear Gentlemen:

Attached you will find **ADDENDUM NO. 1,** in connection with **Hidalgo County**-request for Request for Bids for –**"CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES ".**

Please add this **ADDENDUM NO. 1** to your bid packet so as to permit your company to submit a complete response. See original request for packet LEGAL NOTICE page 3, paragraph 9.

Acknowledge receipt of ADDENDUM NO. 1 in the bid form and signing and returning this page to us VIA FAX AT (956) 292-7612 or VIA E-MAIL TO moises.salazar@co.hidalgo.tx.us .

If you do not receive a complete **ADDENDUM NO. 1,** please notify us immediately at (956) 318-2626.

Please be advised that this **ADDENDUM NO. 1** will complete your RFB packet for **"Hidalgo County– CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES ".**

Thank you for your prompt attention to this matter.

Martha L. Salazar, CPPB
Hidalgo County Purchasing Agent

BY: DRS

HOLCHEMONT, Ltd.
COMPANY NAME

ADDENDUM NO. 1

ACKNOWLEDGMENT OF RECEIPT

MLS/mss
Enclosures

2812 S. Business Highway 281 ★ Edinburg, Texas 78539 ★ (956) 318-2626 ★ Fax (956) 318-2629

ADDENDUM NO. 1

May 7, 2012
Hidalgo County
–"CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES "
PROJECT NO.: 2012-028-05-09-MSS

ATTACHED YOU WILL FIND ADDENDUM INFORMATION ISSUED BY ARCHITECT CONSISTING OF 1 (one) PAGE.

I, Michael Che Montalvo acknowledge receipt of ADDENDUM NO. 1 dated, March 07, 2012, for –"Hidalgo County-"CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES " PROJECT NO.: 2012-028-05-09-MSS.

Michael Che Montalvo
Printed Bidder Name

05-09-2012
Date

Holchemont Ltd.
Company Name

NOTE: PLEASE SUBMIT THIS ADDENDUM WITH YOUR RESPONSE, IN ORDER TO COMPLETE PROJECT PACKET.

PURCHASING DEPARTMENT
County Of Hidalgo

May 8, 2012

RE: ADDENDUM NO. 2
Project No.: 2012-028-05-09-MSS
Hidalgo County- "CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES "

Dear Gentlemen:

Attached you will find **ADDENDUM NO. 2,** in connection with **Hidalgo County**-request for Request for Bids for –**"CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES ".**

Please add this **ADDENDUM NO. 2** to your bid packet so as to permit your company to submit a complete response. See original request for packet LEGAL NOTICE page 3, paragraph 9.

Acknowledge receipt of ADDENDUM NO. 2in the bid form and signing and returning this page to us VIA FAX AT (956) 292-7612 or VIA E-MAIL TO moises.salazar@co.hidalgo.tx.us .

If you do not receive a complete **ADDENDUM NO. 2,** please notify us immediately at (956) 318-2626

Please be advised that this **ADDENDUM NO. 2** will complete your RFB packet for **"Hidalgo County– CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES ".**

Thank you for your prompt attention to this matter.

Martha L. Salazar

Martha L. Salazar, CPPB
Hidalgo County Purchasing Agent

BY:

Holchemart Ltd.
COMPANY NAME

ADDENDUM NO. 2
ACKNOWLEDGMENT OF RECEIPT

MLS/mss
Enclosures

2812 S. Business Highway 281 ★ Edinburg, Texas 78539 ★ (956) 318-2626 ★ Fax (956) 318-2629

ADDENDUM NO. 2

May 8, 2012
Hidalgo County
–"CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES "
PROJECT NO.: 2012-028-05-09-MSS

ATTACHED YOU WILL FIND ADDENDUM INFORMATION ISSUED BY ARCHITECT CONSISTING OF 8 (eight) PAGES.

I, Michael Che Montalvo acknowledge receipt of ADDENDUM NO. 2 dated, March 08, 2012, for –**"Hidalgo County-"CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES " PROJECT NO.: 2012-028-05-09-MSS.**

Michael Che Montalvo
Printed Bidder Name

05-09-2012
Date

Holchemont Ltd.
Company Name

NOTE: PLEASE SUBMIT THIS ADDENDUM WITH YOUR RESPONSE, IN ORDER TO COMPLETE PROJECT PACKET.

ADDENDUM NO. 3

May 9, 2012
Hidalgo County
–"CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES "
PROJECT NO.: 2012-028-05-09-MSS

ATTACHED YOU WILL FIND ADDENDUM INFORMATION ISSUED BY ARCHITECT CONSISTING OF 3 (three) PAGES.

I, Michael Montalvo, acknowledge receipt of ADDENDUM NO. 3 dated, March 09, 2012, for –"**Hidalgo County-"CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES " PROJECT NO.: 2012-028-05-09-MSS.**

Printed Bidder Name

May 09, 2012
Date

Holchemont, Ltd
Company Name

NOTE: PLEASE SUBMIT THIS ADDENDUM WITH YOUR RESPONSE, IN ORDER TO COMPLETE PROJECT PACKET.

PURCHASING DEPARTMENT
County Of Hidalgo

May 9, 2012

RE: ADDENDUM NO. 3
Project No.: 2012-028-05-09-MSS
Hidalgo County- "CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES "

Dear Gentlemen:

Attached you will find **ADDENDUM NO. 3,** in connection with **Hidalgo County**-request for Request for Bids for –**"CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES ".**

Please add this **ADDENDUM NO. 3** to your bid packet so as to permit your company to submit a complete response. See original request for packet LEGAL NOTICE page 3, paragraph 9.

Acknowledge receipt of ADDENDUM NO. 3in the bid form and signing and returning this page to us VIA FAX AT (956) 292-7612 or VIA E-MAIL TO moises.salazar@co.hidalgo.tx.us .

If you do not receive a complete **ADDENDUM NO. 3,** please notify us immediately at (956) 318-2626.

Please be advised that this **ADDENDUM NO. 3** will complete your RFB packet for **"Hidalgo County– CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES ".**

Thank you for your prompt attention to this matter.

Martha L Salazar **BY:**

Martha L. Salazar, CPPB
Hidalgo County Purchasing Agent

Holchemont, Ltd.
COMPANY NAME

ADDENDUM NO. 3
ACKNOWLEDGMENT OF RECEIPT

MLS/mss
Enclosures

2812 S. Business Highway 281 ★ Edinburg, Texas 78539 ★ (956) 318-2626 ★ Fax (956) 318-2629

HIDALGO COUNTY
"CONSTRUCTION OF NEW CONSTABLE PRECINCT NO. 1 OFFICES"

BID No. -2012-028-05-09-MSS

SUBMITTAL CHECK LIST
FOR COUNTY FRONT END FORMS

The following list of forms from the County "Front End Documents" must be included in the RFB response, failure to submit any of these forms may be considered non responsive.

Indicate with a check mark (✓) the Forms completed and included in response:

✓ Page 9 of Legal Notice

✓ Exhibit "C" -Acknowledgement forms (pages 3 and 4)

✓ Exhibit "D" -CIQ Form.

✓ Exhibit "E" –Proposers Affidavit

✓ Certification Regarding Debarment

✓ Vendor Bidder Application and IRS form W-9

✓ One (1) original, Three (3) copies of complete Response, including any other documentation requested in this RFB not listed in County Front Document Forms (i.e. Bid Form, Bid Bond, Sub-Contractors List, references, etc).

Name: Holchemont, Ltd.

Signature: _____ Date: 05/09/2012

EXHIBIT 'B'

BID

OPENED 3:21 5-9-12 Witnessed

PROJECT: Constable's Office Building
Hidalgo County Precinct 1
Hidalgo County, Texas
RFB No. 2012-028-05-09-MSS

PROPOSAL FROM: **Holchemont, Ltd.**

TO OWNER: County of Hidalgo
2802 S. Business Hwy 281
Edinburg, TX 78539

Having fully examined the Legal Notice, the General Conditions, Bonds Requirements, Specifications and Drawings related to the above project, as well as the site and conditions affecting the work, bidder proposes to furnish all materials, equipment and labor called for by the entire and completed work in accordance with before mentioned documents for the sum of:

BID: Seven Hundred and twenty four thousand DOLLARS
(In words)

($ 724,000.00)
(In figures)

The Undersigned hereby declares that he has visited the Site and has carefully examined the Drawings, Specifications, Contract Documents and Bidding Documents related to the Work covered by his Bid.

Upon receipt of " NOTICE OF AWARD ", the Undersigned will immediately execute the formal Contract (Agreement). Bidder agrees to commence the work within 10 days of receipt of "NOTICE TO PROCEED" and to complete the construction of the project within 275 calendar days of the starting date to be stated in the "NOTICE TO PROCEED".

The Proposal, the Agreement, the Drawings, the General Conditions, Supplementary General Conditions, the Specifications and any Addenda shall all become a part of the Contract.

Bidder acknowledges receipt of the following Addenda: **#1, #2, #3**

If Bidder is notified of the acceptance of this Bid Proposal with sixty(90) calendar days after bid opening, bidder will enter into an agreement with the County of Hidalgo. The contract required will be AIA Document A101, latest edition, Standard Form of Agreement Between Owner and Contractor, Stipulated Sum. The corresponding General Conditions of the Contract for Construction, are a part of these specifications as if herein included in its entirety.

The Bidder, if awarded the contract, agrees to execute and deliver to the Architect within ten (10) calendar days of the Notice of Award date, satisfactory bonds in the amount of one hundred (100%) percent of Contract Sum conditioned on faithful Performance of Contract and one hundred (100%) percent Payment Bond .

The Bidder shall furnish with this proposal a cashier's check, or bid bond, in the amount of five (5%) percent of greatest amount bid. The check or bid bond shall be made payable to the Owner. The check or bid bond shall be left in escrow with the Architect at bid opening and is the measure of liquidated damages which Owner will sustain by the failure of the bidder to execute and deliver the above named agreement and bonds within ten (10) calendar days of written notification of award of contract to the bidder. The bidder agrees to forfeit to the Owner the cashier's check of bid bond if bidder does not comply with the foregoing. However, if this proposal is not accepted by the Owner within ninety (90) calendar days of the bid opening, or if the bidder is awarded the contract and executes and delivers said contract, the check, or bond, will be returned to the bidder upon receipt of the signed contract and bonds by the Owner.

In addition to Bid Bond, refer to Submittal Check List for County Front End Forms. Include items required to be submitted with Bid.

FIRM: **Holchemont, Ltd.**

SIGNED BY: _____ If corporation affix seal here

TITLE: **Manager**

DATE: **May 09, 2012**

ADDRESS: **900 North Main Street**
McAllen, Texas 78501

TELEPHONE: **956-686-2901**

FAX: **956-686-2925**

Insurance Requirement Acknowledgment

I, Lori A Hernandez, authorized representative for Holchemont, Ltd,
Company/Vendor

hereby acknowledge receipt of the County's required insurance limits. Said requirements:

☐ will be acquired within 10 working days after notification from Purchasing Department of bid awarded by the Hidalgo County Commissioners' Court;

☐ will acquire additional amounts required to meet the County's requirements within 10 working days after notification from Purchasing Department of bid award by the Hidalgo County Commissioners' Court; currently carry the following:

Automobile Liability: $_____ General Liability: $_____

☑ have already been met, see attached copy of insurance certificate.

Lori A Hernandez
Authorized Representative

05-09-2012
Date

Notice to Bidder:
A certificate of insurance for the required insurance limits shall be provided to the Purchasing Department's Contract Managers in order to qualify for award of bid and to execute a contract between your Company and the County

Failure to provide Certificates of Insurance to the Purchasing Department's Contract Managers will cause the bid award to be rescinded and re-awarded to next lowest bidder. Certificates of Insurance will be monitored and verified on a **quarterly basis** to ensure coverage policy is in place. It is the Company's obligation to maintain the appropriate insurance coverage throughout the term of the contract.

THIS FORM MUST ACCOMPANY BID PACKET

PROJECT REQUIREMENTS ACKNOWLEDGMENT

This is to certify that I, Michael Montalvo, possess all of the APPLICABLE:

1. Licenses: _____.
2. Bonds: _____.
3. Certificates: _____.
4. Permits: _____.
5. Other: _____.

necessary to carry out the required project. Furthermore, I am providing copies of the required documentation so that, if my company is awarded this bid, I may be eligible to enter into a contract with Hidalgo County and proceed to complete the project in a timely manner.

* Any licenses, bonds, certificates, permits, etc. which are required must be presented as part of the bid packet in order to expedite the bid evaluation process. Failure to provide said documentation will result in the disqualification of your bid.

Authorized Signature

05/09/2012
Date

Holchemont, Ltd.
Company

900 North Main Street
Address

McAllen, Texas 78501
City, State, Zip

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor or other person doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. *See* Section 176.006, Local Government Code.

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

OFFICE USE ONLY
Date Received

1 **Name of person who has a business relationship with local governmental entity.**

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.**

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 **Name of local government officer with whom filer has employment or business relationship.**

_____

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

☐ Yes ☐ No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

☐ Yes ☐ No

D. Describe each employment or business relationship with the local government officer named in this section.

4

_____

Signature of person doing business with the governmental entity

05/09/2012

Date

Adopted 06/29/2007

PROPOSER'S AFFIDAVIT
Exhibit "E"

PROPOSER'S AFFIDAVIT OF NON-COLLUSION
NON-CONFILICT OF INTERST, AND ANTI-LOBBYING

STATE OF TEXAS
COUNTY OF HIDALGO

Affiant, **Michael Montalvo**, being first duly sworn, deposes that:

(1) Affiant does hereby state neither the Proposer nor any of the Proposer's officers, partners, owners, agents, representatives, employees, or parties in interest, has in any way colluded, conspired, agreed, directly or indirectly with any person, firm, corporation, or other proposer, or potential proposer, to provide any money or other valuable consideration for assistance in procuring or attempting to procure a contract or fix the prices in the attached proposed or the proposal of any other proposer, and further states that no such money or other reward will be hereinafter paid.

(2) Affiant further states they have neither recommended or suggested to Hidalgo County or any of its officials or employees, any of the terms or provisions set forth in their Request for Proposal and subsequent agreement, except at a meeting open to all interested proposers, of which proper notice was given.

(3) Affiant, further states their officers, employees, or agents have not, and will not attempt to lobby, directly or indirectly, the Hidalgo County Commissioner's Court between proposal submission date and award by the Hidalgo County Commissioner's Court.

(4) Affiant further states no officer, or stockholder of the Proposer is a member of the staff, or related to any employee of the Hidalgo County except as noted herein below:

Signature/Title: _____

Subscribed and swom to before me this 09 day of 05, 2012.

_____
Notary Public

My commission expires: January 18, 2016

LORI ANN HERNANDEZ
Notary Public, State of Texas
My Commission Expires
January 18, 2016

Certification
Regarding Debarment, Suspension Ineligibility

As is required by the Federal Regulations Implementing Executive Order 12549, Debarment and Suspension, 45 CFR Part 76, Government-wide Debarment and Suspension, in the applicant certifies, to the best of his or her knowledge and belief, that both it and its principals:

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency;

b. Have not within a three-year period preceding this bid/proposal and/or application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction, violation of federal or state antitrust statutes or commission of embezzlement, theft, theory, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

c. Are not presently indicted for or otherwise criminally or civilly charged by a government entity with commission of any of the offenses enumerated herein; and

d. Have not within a three-year period preceding this bid/proposal and/or application had one or more public transactions terminated of cause or default.

Signature:

Print Name: Michael Montalvo

Title: Manager

Telephone Number: 956-686-2901

Date: May 09, 2012

If the proposer is unable to certify to all of the statements in this Certification, such proposer should attach an explanation to this proposal.

HIDALGO COUNTY
PURCHASING DEPARTMENT
Proposer/Vendor Application

Complete in print or type. Please return this application to the Hidalgo County Purchasing Department
thru Facsimile: (956) 318-2629,
in person or regular mail to: 2802 South Hwy 281, Edinburg, Texas 78539
or e-mail: purchasing@co.hidalgo.tx.us

Company Name: **Holchemont, Ltd.** Telephone No. (956)686 2901

dba Name:

Legal Name: **Holchemont, Ltd.**

Mailing Address : **900 N. Main Street** Fax No. (956)686 2925

Physical Address:

City, State, Zip **McAllen, TX 78501** Tax I.D. No. **26-3913182**

Remit to Address : City, State, Zip **McAllen, TX, 78501**

E-Mail Address: **bids@holchemont.com**

Representative(s) Name(s) & Title(s) **Michael Montalvo - Manager**

Type of Organization (check one): ____ Individual __X__ Partnership ____ Corporation ____Non-Profit
____ LLC ____ Sole Proprietor ____ Other, Specify _____
State Identification No._____ (Please attached completed W-9 form with this application)
Federal Identification No. or (if individual) SS No. _____

State of Incorporation: _____ Date:_____ Other: _____

Type of Business (check one): _____ Manufacturer _____ Wholesaler _____ Retailer _____ Broker
_____ Distributor _____ Service Organization _____ Other, Specify _____

Name & Title of Person(s) Authorized to Sign Bids, Proposals, and/or Contracts: **Michael Montalvo - Manager**

Small and/or Disadvantaged Business Information (check application criteria)

Small Business:

•• Less than 125,000 annual gross receipt
•• Less than 250,000 annual gross receipt
•• Less than 499,000 annual gross receipt
•• More than 500,000 annual gross receipt

Disadvantaged Business (At Least 51% Ownership)

•• Black American
•• Hispanic American
•• Asian Pacific American
•• Native American
•• Women
•• Other

Have you been certified as a HUB or an MBE/WBE source?: •• Yes •• No

Indicate Certification No.(s): _____ or are Certificate(s) attached?: •• Yes •• No

What type of product(s) is/are solicited by your company?: _____

Would you like to be provided with specifications for procurements of such products?: • Yes • No

To Be Completed by the County: Rec'd by (Purchasing):_____ Date Rec'd by (Purchasing):_____

Date Forwarded Information to Auditor's Office:_____Entry Date: _____ Vendor No.: _____

Revised12/14/06

Form **W-9**
(Rev. December 2011)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)
HOLCHEMONT, LTD.

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification:
☐ Individual/sole proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/estate

☑ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ **P**

☐ Other (see instructions) ▶

☐ Exempt payee

Address (number, street, and apt. or suite no.)
900 N MAIN ST

Requester's name and address (optional)

City, state, and ZIP code
MCALLEN TX 78501-4327

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
			–			–				

Employer identification number
2	6	–	3	9	1	3	1	8	2

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below)

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here Signature of U.S. person ▶ [signature] Date ▶ 07 MAR 12

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

AIA® Document A305™ – 1986

Contractor's Qualification Statement

The Undersigned certifies under oath that the information provided herein is true and sufficiently complete so as not to be misleading.

SUBMITTED TO: 2010 Updated Document

ADDRESS:

SUBMITTED BY: Holchemont, Ltd.

NAME: Michael Montalvo

ADDRESS: 900 N. Main St.
McAllen, Texas 78501

PRINCIPAL OFFICE:

[ ] Corporation
[X] Partnership
[ ] Individual
[ ] Joint Venture
[ ] Other

NAME OF PROJECT *(If applicable)*:

FOR POTENTIAL PROJECTS,

TYPE OF WORK (file separate form for each Classification of Work):

[X] General Construction
[ ] HVAC
[ ] Electrical
[ ] Plumbing
[ ] Other (please specify)

ADDITIONS AND DELETIONS: The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

This form is approved and recommended by the American Institute of Architects (AIA) and The Associated General Contractors of America (AGC) for use in evaluating the qualifications of contractors. No endorsement of the submitting party or verification of the information is made by AIA or AGC.

§ 1. ORGANIZATION

§ 1.1 How many years has your organization been in business as a Contractor?
3 Years

§ 1.2 How many years has your organization been in business under its present business name? 3 Years

§ 1.2.1 Under what other or former names has your organization operated?

None

§ 1.3 If your organization is a corporation, answer the following:

§ 1.3.1 Date of incorporation: 8-22-07

AIA Document A305™ – 1986. Copyright © 1964, 1969, 1979 and 1986 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 15:40:50 on 11/11/2008 under Order No.1000370510_1 which expires on 6/8/2009, and is not for resale.
User Notes: (2073118258)

§ 1.3.2 State of Incorporation:
§ 1.3.3 President's name:
§ 1.3.4 Vice-president's name(s)

§ 1.3.5 Secretary's name:
§ 1.3.6 Treasurer's name:

§ 1.4 If your organization is a partnership, answer the following:
§ 1.4.1 Date of organization: 8-22-07
§ 1.4.2 Type of partnership (if applicable): Domestic Limited Partnership
§ 1.4.3 Name(s) of general partner(s) Holchemont Management, LLC
Michael Montalvo, Its Manager

§ 1.5 If your organization is individually owned, answer the following:
§ 1.5.1 Date of organization:
§ 1.5.2 Name of owner:

§ 1.6 If the form of your organization is other than those listed above, describe it and name the principals:

§ 2. LICENSING
§ 2.1 List jurisdictions and trade categories in which your organization is legally qualified to do business, and indicate registration or license numbers, if applicable.

§ 2.2 List jurisdictions in which your organization's partnership or trade name is filed.

§ 3. EXPERIENCE
§ 3.1 List the categories of work that your organization normally performs with its own forces.

Construction Management	Fixture Installation	Specialties
Demolition	Doors & Hardware	Rough Carpentry

§ 3.2 Claims and Suits. (If the answer to any of the questions below is yes, please attach details.)
§ 3.2.1 Has your organization ever failed to complete any work awarded to it?

No.

§ 3.2.2 Are there any judgments, claims, arbitration proceedings or suits pending or outstanding against your organization or its officers?

No.

§ 3.2.3 Has your organization filed any law suits or requested arbitration with regard to construction contracts within the last five years?

No.

AIA Document A305™ – 1986. Copyright © 1964, 1969, 1979 and 1986 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 15:40:50 on 11/11/2008 under Order No. 1000370510_1 which expires on 9/8/2009, and is not for resale.
User Notes: (2073110258)

§ 3.3 Within the last five years, has any officer or principal of your organization ever been an officer or principal of another organization when it failed to complete a construction contract? (If the answer is yes, please attach details.)

No.

§ 3.4 On a separate sheet, list major construction projects your organization has in progress, giving the name of project, owner, architect, contract amount, percent complete and scheduled completion date.

Schedule A

§ 3.4.1 State total worth of work in progress and under contract:

$1,079,934.00

§ 3.5 On a separate sheet, list the major projects your organization has completed in the past five years, giving the name of project, owner, architect, contract amount, date of completion and percentage of the cost of the work performed with your own forces.

Schedule B

§ 3.5.1 State average annual amount of construction work performed during the past five years:

$1.5M

§ 3.6 On a separate sheet, list the construction experience and present commitments of the key individuals of your organization.

Schedule C

§ 4. REFERENCES

§ 4.1 Trade References:

Schedule D

§ 4.2 Bank References:

Schedule E

§ 4.3 Surety:

§ 4.3.1 Name of bonding company:

CBA Contract Bond Agency

§ 4.3.2 Name and address of agent:

Fred A. Thetford, Jr.
3817 Alamo Avenue
Fort Worth, TX 76107

§ 5. FINANCING

§ 5.1 Financial Statement.

§ 5.1.1 Attach a financial statement, preferably audited, including your organization's latest balance sheet and income statement showing the following items:

Furnished upon written request only.

Current Assets (e.g., cash, joint venture accounts, accounts receivable, notes receivable, accrued income, deposits, materials inventory and prepaid expenses);

Net Fixed Assets;

AIA Document A305™ – 1986. Copyright © 1964, 1969, 1979 and 1986 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 18:40:50 on 11/11/2008 under Order No.1000970519_1 which expires on 6/8/2009, and is not for resale.
User Notes: (2073110258)

Other Assets;

Current Liabilities (e.g., accounts payable, notes payable, accrued expenses, provision for income taxes, advances, accrued salaries and accrued payroll taxes);

Other Liabilities (e.g., capital, capital stock, authorized and outstanding shares par values, earned surplus and retained earnings).

§ 5.1.2 Name and address of firm preparing attached financial statement, and date thereof:

LORENA CASTILLO, CPA with NEGRETE & ASSOCIATES
956.683.8171

§ 5.1.3 Is the attached financial statement for the identical organization named on page one?

NOT APPLICABLE

§ 5.1.4 If not, explain the relationship and financial responsibility of the organization whose financial statement is provided (e.g., parent-subsidiary).

§ 5.2 Will the organization whose financial statement is attached act as guarantor of the contract for construction?

§ 6. SIGNATURE

§ 6.1 Dated at this thday of December, 2010

Name of Organization: Holchemont, Ltd.

By: Michael Montalvo

Title: Manager

§ 6.2

M being duly sworn deposes and says that the information provided herein is true and sufficiently complete so as not to be misleading.

Subscribed and sworn before me this thday of Dec20 2010

Notary Public:

My Commission Expires: January 18, 2012

LORI ANN HERNANDEZ
Notary Public, State of Texas
My Commission Expires
January 18, 2012

AIA Document A305™ – 1986. Copyright © 1964, 1969, 1979 and 1986 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 15:40:50 on 11/11/2009 under Order No.1000370519 which expires on 9/8/2009, and is not for resale.
User Notes: (2073119260)

SCHEDULE A

	Projects	Owner	Architect/Designer	Contract Amount	Percent Complete	Scheduled Completion
1	Nuestra Clinica del Valle SAN JUAN	Nuestra Clinica	ROFA Architects Inc.	1.4M	80%	15-Dec-11
2	Our Lady of Mercy Classroom Renovations	Diocese of Brownsville	Diocese of Brownsville	80m	50%	1-Oct-11
3	HCA Cath Lab Expansion VRMC	HCA Facilities Corp	Neos Architects, Inc.	997m	95%	23-Sep-11
4	Sharyland ISD Science Lab Reno	Sharyland ISD	Gomez Mendez Saenz	189m	100%	15-Sep-11
5	City of Escobares Fire Station	City of Escobares	Milnet Architectural Svcs.	503m	100%	27-Jun-11
6	Sun Strip Center Remodel	Sun Investments	Milnet Architectural Svcs.	301m	100%	30-Apr-11
7	COM Northbound Canopy	City of McAllen	McAllen Engineering	55 m	100%	15-Feb-11
8	Pollo Palenque Restaurant Remodel	Palenque Real Estate	Arqcarpa	331m	100%	15-Feb-11

SCHEDULE B

	Projects	Owner	Architect/Designer	Contract Amount	Completed	Self Performed
1	Inter National Bank	Carlos Garza	PBSJ	1.2 M	SEPT 05	1%
2	Inter National Bank (TI)	Carlos Garza	PBSJ	285 K	AUG 06	1%
3	Orange Plaza	Mario Von Chong	IDEO	850 K	NOV 07	1%
4	Rio Grande Regional Hospital (PICU)	HCA	HCA/ Facilities Services Group	538 K	MAY 08	1%
5	Rio Grande Regional Hospital (ER)	HCA	HCA/ Facilities Services Group	400 K	NOV 07	1%
7	Boot Jack Plaza	Alex Masso	N/A	1.1 M	NOV 07	1%

SCHEDULE C

	Key Personnel	Experience	Responsibilities	Commitments
1	Michael C. Montalvo	15 yrs	Senior Project Manager	Project Management for ALL projects
2	*Bernardo Gonzalez*	28 yrs	*Superintendent*	Superintendent
3	Fred Lopez	23 yrs	Estimator - Project Management	Estimating, Project Management
4	*Rumaldo Guerra*	11 yrs	Superintendent	Managing single project
5	Lori A. Hernandez	4 yrs	General Project Management (OFFICE)	General Project Management (ALL)
6	Samantha Rodriguez	1 yr	General Office	Clerical support

SCHEDULE D

Trade References

*** Spence Concrete**
P.O.Box 2767
McAllen, TX 78502
Contact: Esmer Mirabal
Phone: 956-682-5551
Fax: 956-682-2607

*** RGV Reprographics**
519 S. Broadway
McAllen, TX 78505
Contact: Teresa Smith
Phone: 956-686-1525
Fax: 956-686-1528

*** ERICO Building Systems, LLC**
3719 W. Mile 17 ½ Rd.
Edinburg, TX 78539
Contact: Eric Garcia
Phone: 956-789-0794
Fax: 956-287-8692

***Faires Plumbing Co., Inc.**
P O Box 1199
Edinburg, TX 78540
Contact: Kenny Faires
Phone: 956-802-9308
Fax: 956-383-7382

SCHEDULE E

INTER NATIONAL BANK
730 W. NOLANA LOOP
MC ALLEN, TX 78504
Joel Castellano, Branch Manager
956 682-3243

LONE STAR NATIONAL BANK
206 W. FERGERSON
PHARR, TX 78577
DAVID DEANDA, PRESIDENT
956 984-2684

IBC
1 SOUTH BROADWAY
MC ALLEN, TX 78501
DAVID GUERRA, PRESIDENT
956 686-0263

Joel Castellano
Branch Manager/Administrative Officer

May 8 2012

RE: Michael Montalvo
Holchemont Ltd

To Whom It May Concern:

It gives us great pleasure to introduce Mr. Michael Montalvo, owner of Holchemont LTD to your company. Mr. Montalvo is currently a customer of Inter National Bank and has maintained an excellent relationship with our financial institution since 2005.

Mr. Montalvo has a Business Checking Accounts with a large balances.

Any courtesies extended to him will be greatly appreciated by us.

If we may be of further assistance, please feel free to contact me personally at 956-682-3243.

Sincerely,

Joel Castellano

Joel Castellano
Branch Manager

730 West Nolana • McAllen, TX 78504 • 956-682-3243
Fax: 956-682-3389 lisaj@INBweb.com

INTER NATIONAL BANK

PREVIOUS CLIENTS

Organizations for whom Respondent has previously provided services of equal type and scope within the past five (5) years as verbal request at the pre-bid conference.

1.	Karen Valdez, VP, Inter National Bank,	INB-Weslaco Branch Project	956-664-8400
2.	Yoghesh Bhatt, Subway Development,	Subway Restaurant, McAllen, TX	956-928-0686
3.	Greg Seiler, CEO, HCA	Rio Grande Reg. Hosp. McAllen, TX	956-632-6000
4.	Sergio Loya, HCA	Valley Reg. Med. Ctr., Brownsville, TX	956-350-7101
5.	John Sun, Owner	Nolana Strip Center, McAllen, TX	956-279-9837

PROJECT TEAM

Michael C. Montalvo - Manager
Responsibilities:

- Coordinate all preconstruction activities and oversee the administration of the construction phase of the contract.
- Develop an overall project schedule from preconstruction through construction.
- Negotiate subcontracts
- Be responsible for cost control
- Administer all subcontracts
- Planning for efficiency and coordination of trades
- Review project shop drawings and coordinate field dimensions
- Accurate pricing for each phase of the project
- Package competitively bid subcontracted work

Bernardo Gonzalez - Superintendent and Project Manager
Responsibilities:

- Attendance at preconstruction meetings
- Be responsible to the owner for all project communication through preconstruction, construction, closeout and commissioning
- Managing all on-site construction activity
- Coordinate weekly progress meetings and safety meetings
- Subcontractor coordination
- Submit daily reports on a weekly basis including meeting attendance

Lori Hernandez - Assistant Project Manager
Responsibilities:

- Assist with distribution of subcontracts
- Administer all purchase orders
- Maintaining records of field testing
- Oversee document control
- Expedite approvals and deliveries

MICHAEL C. MONTALVO

Objective: providing quality commercial construction services.

2004 - Present
HOLCHEMONT, LTD.: Manager
MONTALVO CONSTRUCTION, LLC: President

Responsible for project management, estimating, administration of staff, general supervision of jobsites; and all other aspects of commercial construction from start to finish.
PROJECTS include:

•	OSUKA Restaurant, McAllen, TX -	$1.1 M
•	Boot Jack Plaza, Boot Jack TI McAllen, TX -	$1.4 M
•	Rio Grande Regional Hospital RICU & PACU, McAllen, TX	$550 K
•	Rio Grande Regional Hospital ER Renovations, McAllen, TX	$425 K
•	Trenton Plaza, McAllen, TX -	$950 K
•	Inter National Bank, McAllen, TX -	$1.1 M
•	Tex Best Travel Center, Dilley, TX -	$1.3 M
•	Centro Plaza, McAllen, TX -	$527 K
•	Church's Chicken Restaurant, Edinburg, TX -	$330 K
•	Orange Plaza, McAllen, TX -	$900 K
•	Subway Restaurant, McAllen, TX -	$282 K
•	Inter National Bank, Weslaco, TX -	$1.3 M
•	Villarreal Restaurant, McAllen, TX -	$650 K
•	City of Escobares Fire Station, Escobares, TX -	$475 K
•	HCA Cath Lab Expansion VRMC, Brownsville, TX -	$996 K
•	Nolana Strip Center Remodel, McAllen, TX -	$285 K

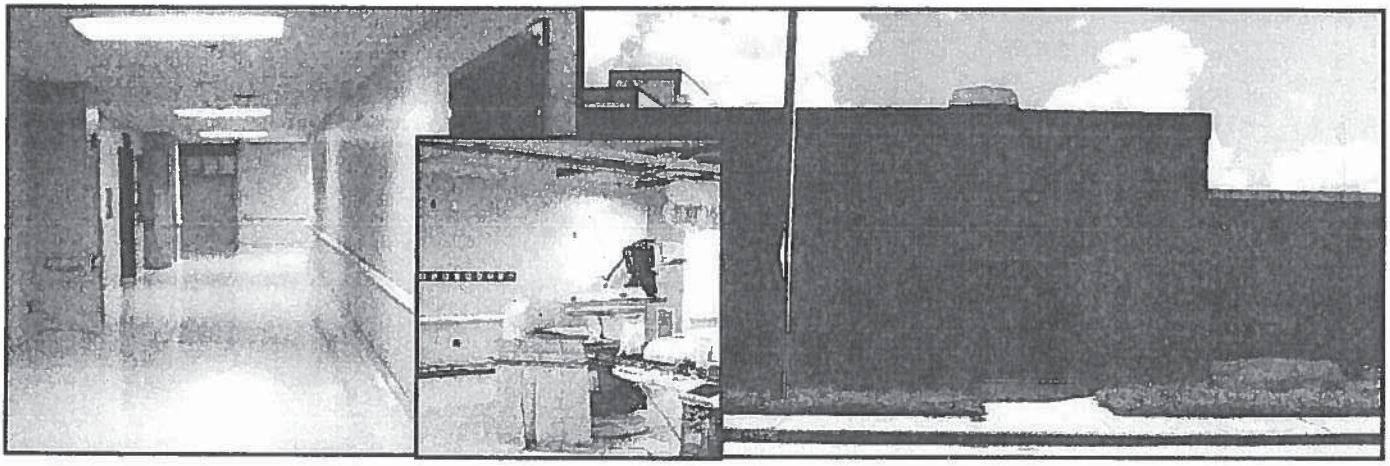
SPAWGLASS Contractors Inc. **Superintendent** **2000-2004**

•	*Edinburg North HS Auditorium and Renovation*	$7.24 M
•	Lantana Trade Center, Harlingen, TX -	$1.4 M
•	Air Traffic Control Tower, Corpus Christi, TX -	$18.7 M
•	UT Pan American General Classroom and Computer Center Building, Edinburg, TX -	$14.5 M
•	Austin Convention Center Expansion & Remodel	$72.2 M

SIMILAR PROJECTS INCLUDE

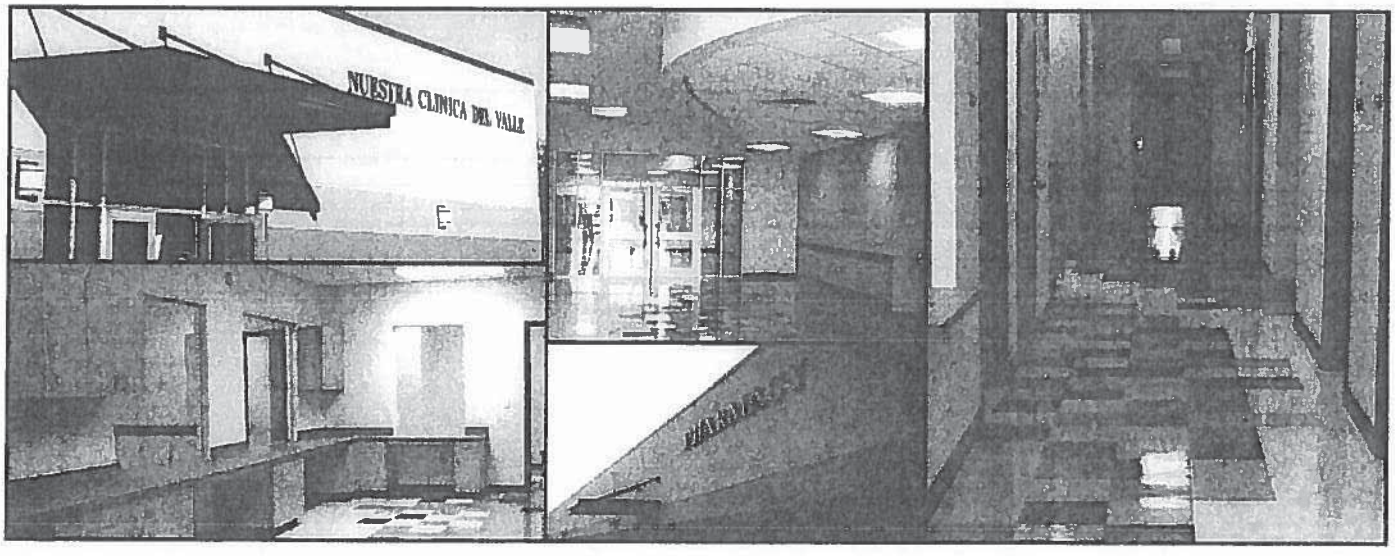
HCA CATH LAB EXPANSION

BROWNSVILLE, TEXAS



NUESTRA CLINICA DEL VALLE

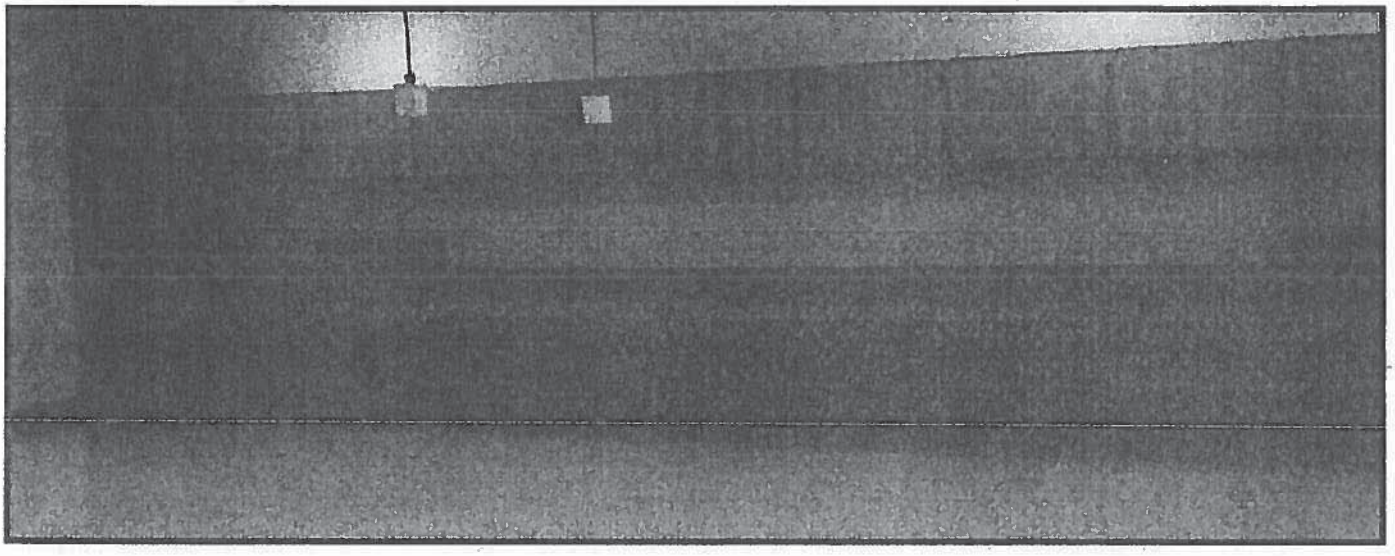
SAN JUAN, TEXAS



SIMILAR PROJECTS INCLUDE

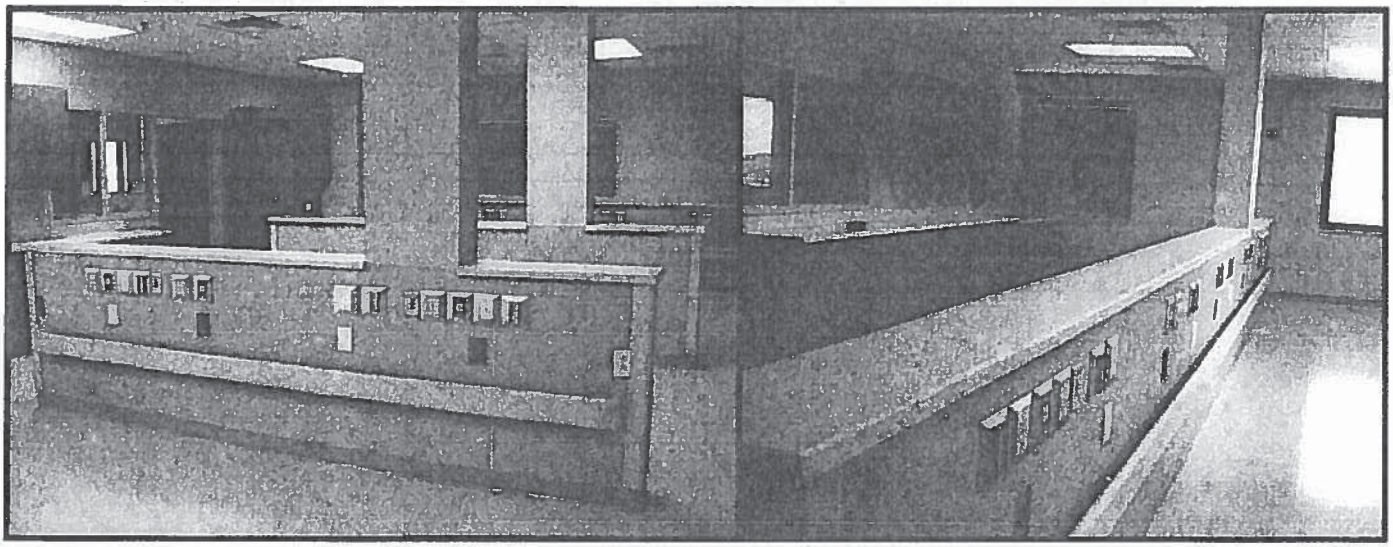
SHARYLAND HIGH SCHOOL SCIENCE LAB RENOVATIONS

SHARYLAND, TEXAS



RIO GRANDE REGIONAL HOSPITAL - PICU REMODEL

MCALLEN, TEXAS



SIMILAR PROJECTS

Michael C. Montalvo

- STC Child Development Center Covered Walkways, McAllen, TX
- HCA Cath Lab Expansion VRMC Brownsville, TX
- STC Modular Building Improvements, Weslaco, TX
- TSTC Engineering Center Upgrade, Harlingen, TX
- Sharyland High School Science Lab Renovations, Mission, TX

President - Montalvo Construction

- IDEA New Administration Building, Weslaco, TX
- Rio Grande Regional Hospital RICU & PICU McAllen, TX
- Rio Grande Regional Hospital ER Renovations McAllen, TX

Superintendent - SpawGlass

- Edinburg North HS Auditorium and Renovation, Edinburg, TX
- UT Pan American General Classroom and Computer Center Building, Edinburg, TX
- Americo Paredes Elementary School, Brownsville, TX

Bernardo Gonzalez

Superintendent and Project Manager - Holchemont, Ltd.

- STC Child Development Center Covered Walkways, McAllen, TX
- STC Modular Building Improvements, Weslaco, TX
- TSTC Engineering Center Upgrade, Harlingen, TX

Superintendent - D Wilson Construction Co.

- Veterans High School, Brownsville, TX

Superintendent - SpawGlass

- Americo Paredes Elementary School, Brownsville, TX
- UT Pan American Academic Health Center, Edinburg, TX

Superintendent - Terry Ray Construction

- Olivera Middle School Classroom Addition, Brownsville, TX
- Stell Middle School Faculty Addition, Brownsville, TX

AIA® Document A201™ – 2007

General Conditions of the Contract for Construction

for the following PROJECT:
(Name and location or address)
Construction Of A New Constable Precinct 1 Offices consisting of 4245Sq. Ft., Located at 1902 Joe Stevens Blvd., Weslaco, Texas 78596

THE OWNER:
(Name, legal status and address)
Hidalgo County
1615 S. Closner, Suite J
Edinburg, Texas 78539

THE ARCHITECT:
(Name, legal status and address)
Alcocer Garcia Associates, Inc.
1333 E. Jasmine Avenue
McAllen, Texas 78501

TABLE OF ARTICLES

1 GENERAL PROVISIONS
2 OWNER
3 CONTRACTOR
4 ARCHITECT
5 SUBCONTRACTORS
6 CONSTRUCTION BY OWNER OR BY SEPARATE CONTRACTORS
7 CHANGES IN THE WORK
8 TIME
9 PAYMENTS AND COMPLETION
10 PROTECTION OF PERSONS AND PROPERTY
11 INSURANCE AND BONDS
12 UNCOVERING AND CORRECTION OF WORK
13 MISCELLANEOUS PROVISIONS
14 TERMINATION OR SUSPENSION OF THE CONTRACT
15 CLAIMS AND DISPUTES

ADDITIONS AND DELETIONS:
The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. **All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

INDEX
(Numbers and Topics in Bold are Section Headings)

Acceptance of Nonconforming Work
9.6.6, 9.9.3, **12.3**
Acceptance of Work
9.6.6, 9.8.2, 9.9.3, 9.10.1, 9.10.3, 12.3
Access to Work
3.16, 6.2.1, 12.1
Accident Prevention
10
Acts and Omissions
3.2, 3.3.2, 3.12.8, 3.18, 4.2.3, 8.3.1, 9.5.1, 10.2.5, 10.2.8, 13.4.2, 13.7.1, 14.1, 15.2
Addenda
1.1.1, 3.11.1
Additional Costs, Claims for
3.7.4, 3.7.5, 6.1.1, 7.3.7.5, 10.3, 15.1.4
Additional Inspections and Testing
9.4.2, 9.8.3, 12.2.1, **13.5**
Additional Insured
11.1.4
Additional Time, Claims for
3.2.4, 3.7.4, 3.7.5, 3.10.2, 8.3.2, **15.1.5**
Administration of the Contract
3.1.3, **4.2**, 9.4, 9.5
Advertisement or Invitation to Bid
1.1.1
Aesthetic Effect
4.2.13
Allowances
3.8, 7.3.8
All-risk Insurance
11.3.1, 11.3.1.1
Applications for Payment
4.2.5, 7.3.9, 9.2, **9.3**, 9.4, 9.5.1, 9.6.3, 9.7.1, 9.10, 11.1.3
Approvals
2.1.1, 2.2.2, 2.4, 3.1.3, 3.10.2, 3.12.8, 3.12.9, 3.12.10, 4.2.7, 9.3.2, 13.5.1
Arbitration
8.3.1, 11.3.10, 13.1.1, 15.3.2, **15.4**
ARCHITECT
4
Architect, Definition of
4.1.1
Architect, Extent of Authority
2.4.1, 3.12.7, 4.1, 4.2, 5.2, 6.3.1, 7.1.2, 7.3.7, 7.4, 9.2.1, 9.3.1, 9.4, 9.5, 9.6.3, 9.8, 9.10.1, 9.10.3, 12.1, 12.2.1, 13.5.1, 13.5.2, 14.2.2, 14.2.4, 15.1.3, 15.2.1
Architect, Limitations of Authority and Responsibility
2.1.1, 3.12.4, 3.12.8, 3.12.10, 4.1.2, 4.2.1, 4.2.2, 4.2.3, 4.2.6, 4.2.7, 4.2.10, 4.2.12, 4.2.13, 5.2.1, 7.4.1, 9.4.2, 9.5.3, 9.6.4, 15.1.3, 15.2
Architect's Additional Services and Expenses
2.4.1, 11.3.1.1, 12.2.1, 13.5.2, 13.5.3, 14.2.4
Architect's Administration of the Contract
3.1.3, 4.2, 3.7.4, 15.2, 9.4.1, 9.5
Architect's Approvals
2.4.1, 3.1.3, 3.5.1, 3.10.2, 4.2.7
Architect's Authority to Reject Work
3.5.1, 4.2.6, 12.1.2, 12.2.1
Architect's Copyright
1.1.7, 1.5
Architect's Decisions
3.7.4, 4.2.6, 4.2.7, 4.2.11, 4.2.12, 4.2.13, 4.2.14, 6.3.1, 7.3.7, 7.3.9, 8.1.3, 8.3.1, 9.2.1, 9.4.1, 9.5, 9.8.4, 9.9.1, 13.5.2, 15.2, 15.3
Architect's Inspections
3.7.4, 4.2.2, 4.2.9, 9.4.2, 9.8.3, 9.9.2, 9.10.1, 13.5
Architect's Instructions
3.2.4, 3.3.1, 4.2.6, 4.2.7, 13.5.2
Architect's Interpretations
4.2.11, 4.2.12
Architect's Project Representative
4.2.10
Architect's Relationship with Contractor
1.1.2, 1.5, 3.1.3, 3.2.2, 3.2.3, 3.2.4, 3.3.1, 3.4.2, 3.5.1, 3.7.4, 3.7.5, 3.9.2, 3.9.3, 3.10, 3.11, 3.12, 3.16, 3.18, 4.1.2, 4.1.3, 4.2, 5.2, 6.2.2, 7, 8.3.1, 9.2, 9.3, 9.4, 9.5, 9.7, 9.8, 9.9, 10.2.6, 10.3, 11.3.7, 12, 13.4.2, 13.5, 15.2
Architect's Relationship with Subcontractors
1.1.2, 4.2.3, 4.2.4, 4.2.6, 9.6.3, 9.6.4, 11.3.7
Architect's Representations
9.4.2, 9.5.1, 9.10.1
Architect's Site Visits
3.7.4, 4.2.2, 4.2.9, 9.4.2, 9.5.1, 9.9.2, 9.10.1, 13.5
Asbestos
10.3.1
Attorneys' Fees
3.18.1, 9.10.2, 10.3.3
Award of Separate Contracts
6.1.1, 6.1.2
Award of Subcontracts and Other Contracts for Portions of the Work
5.2
Basic Definitions
1.1
Bidding Requirements
1.1.1, 5.2.1, 11.4.1
Binding Dispute Resolution
9.7.1, 11.3.9, 11.3.10, 13.1.1, 15.2.5, 15.2.6.1, 15.3.1, 15.3.2, 15.4.1
Boiler and Machinery Insurance
11.3.2
Bonds, Lien
7.3.7.4, 9.10.2, 9.10.3
Bonds, Performance, and Payment
7.3.7.4, 9.6.7, 9.10.3, 11.3.9, **11.4**
Building Permit
3.7.1

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. **All rights reserved.** **WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

Capitalization
1.3
Certificate of Substantial Completion
9.8.3, 9.8.4, 9.8.5
Certificates for Payment
4.2.1, 4.2.5, 4.2.9, 9.3.3, **9.4**, 9.5, 9.6.1, 9.6.6, 9.7.1, 9.10.1, 9.10.3, 14.1.1.3, 14.2.4, 15.1.3
Certificates of Inspection, Testing or Approval
13.5.4
Certificates of Insurance
9.10.2, 11.1.3
Change Orders
1.1.1, 2.4.1, 3.4.2, 3.7.4, 3.8.2.3, 3.11.1, 3.12.8, 4.2.8, 5.2.3, 7.1.2, 7.1.3, **7.2**, 7.3.2, 7.3.6, 7.3.9, 7.3.10, 8.3.1, 9.3.1.1, 9.10.3, 10.3.2, 11.3.1.2, 11.3.4, 11.3.9, 12.1.2, 15.1.3
Change Orders, Definition of
7.2.1
CHANGES IN THE WORK
2.2.1, 3.11, 4.2.8, **7**, 7.2.1, 7.3.1, 7.4, 7.4.1, 8.3.1, 9.3.1.1, 11.3.9
Claims, Definition of
15.1.1
CLAIMS AND DISPUTES
3.2.4, 6.1.1, 6.3.1, 7.3.9, 9.3.3, 9.10.4, 10.3.3, **15**, 15.4
Claims and Timely Assertion of Claims
15.4.1
Claims for Additional Cost
3.2.4, 3.7.4, 6.1.1, 7.3.9, 10.3.2, **15.1.4**
Claims for Additional Time
3.2.4, 3.7.46.1.1, 8.3.2, 10.3.2, **15.1.5**
Concealed or Unknown Conditions, Claims for
3.7.4
Claims for Damages
3.2.4, 3.18, 6.1.1, 8.3.3, 9.5.1, 9.6.7, 10.3.3, 11.1.1, 11.3.5, 11.3.7, 14.1.3, 14.2.4, 15.1.6
Claims Subject to Arbitration
15.3.1, 15.4.1
Cleaning Up
3.15, 6.3
Commencement of the Work, Conditions Relating to
2.2.1, 3.2.2, 3.4.1, 3.7.1, 3.10.1, 3.12.6, 5.2.1, 5.2.3, 6.2.2, 8.1.2, 8.2.2, 8.3.1, 11.1, 11.3.1, 11.3.6, 11.4.1, 15.1.4
Commencement of the Work, Definition of
8.1.2
Communications Facilitating Contract Administration
3.9.1, **4.2.4**
Completion, Conditions Relating to
3.4.1, 3.11, 3.15, 4.2.2, 4.2.9, 8.2, 9.4.2, 9.8, 9.9.1, 9.10, 12.2, 13.7, 14.1.2
COMPLETION, PAYMENTS AND
9
Completion, Substantial
4.2.9, 8.1.1, 8.1.3, 8.2.3, 9.4.2, 9.8, 9.9.1, 9.10.3, 12.2, 13.7
Compliance with Laws
1.6.1, 3.2.3, 3.6, 3.7, 3.12.10, 3.13, 4.1.1, 9.6.4, 10.2.2, 11.1, 11.3, 13.1, 13.4, 13.5.1, 13.5.2, 13.6, 14.1.1, 14.2.1.3, 15.2.8, 15.4.2, 15.4.3
Concealed or Unknown Conditions
3.7.4, 4.2.8, 8.3.1, 10.3
Conditions of the Contract
1.1.1, 6.1.1, 6.1.4
Consent, Written
3.4.2, 3.7.4, 3.12.8, 3.14.2, 4.1.2, 9.3.2, 9.8.5, 9.9.1, 9.10.2, 9.10.3, 11.3.1, 13.2, 13.4.2, 15.4.4.2
Consolidation or Joinder
15.4.4
CONSTRUCTION BY OWNER OR BY SEPARATE CONTRACTORS
1.1.4, **6**
Construction Change Directive, Definition of
7.3.1
Construction Change Directives
1.1.1, 3.4.2, 3.12.8, 4.2.8, 7.1.1, 7.1.2, 7.1.3, **7.3**, 9.3.1.1
Construction Schedules, Contractor's
3.10, 3.12.1, 3.12.2, 6.1.3, 15.1.5.2
Contingent Assignment of Subcontracts
5.4, 14.2.2.2
Continuing Contract Performance
15.1.3
Contract, Definition of
1.1.2
CONTRACT, TERMINATION OR SUSPENSION OF THE
5.4.1.1, 11.3.9, **14**
Contract Administration
3.1.3, 4, 9.4, 9.5
Contract Award and Execution, Conditions Relating to
3.7.1, 3.10, 5.2, 6.1, 11.1.3, 11.3.6, 11.4.1
Contract Documents, The
1.1.1
Contract Documents, Copies Furnished and Use of
1.5.2, 2.2.5, 5.3
Contract Documents, Definition of
1.1.1
Contract Sum
3.7.4, 3.8, 5.2.3, 7.2, 7.3, 7.4, **9.1**, 9.4.2, 9.5.1.4, 9.6.7, 9.7, 10.3.2, 11.3.1, 14.2.4, 14.3.2, 15.1.4, 15.2.5
Contract Sum, Definition of
9.1
Contract Time
3.7.4, 3.7.5, 3.10.2, 5.2.3, 7.2.1.3, 7.3.1, 7.3.5, 7.4, 8.1.1, 8.2.1, 8.3.1, 9.5.1, 9.7.1, 10.3.2, 12.1.1, 14.3.2, 15.1.5.1, 15.2.5
Contract Time, Definition of
8.1.1

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. **All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

CONTRACTOR
3
Contractor, Definition of
3.1, 6.1.2
Contractor's Construction Schedules
3.10, 3.12.1, 3.12.2, 6.1.3, 15.1.5.2
Contractor's Employees
3.3.2, 3.4.3, 3.8.1, 3.9, 3.18.2, 4.2.3, 4.2.6, 10.2, 10.3, 11.1.1, 11.3.7, 14.1, 14.2.1.1,
Contractor's Liability Insurance
11.1
Contractor's Relationship with Separate Contractors and Owner's Forces
3.12.5, 3.14.2, 4.2.4, 6, 11.3.7, 12.1.2, 12.2.4
Contractor's Relationship with Subcontractors
1.2.2, 3.3.2, 3.18.1, 3.18.2, 5, 9.6.2, 9.6.7, 9.10.2, 11.3.1.2, 11.3.7, 11.3.8
Contractor's Relationship with the Architect
1.1.2, 1.5, 3.1.3, 3.2.2, 3.2.3, 3.2.4, 3.3.1, 3.4.2, 3.5.1, 3.7.4, 3.10, 3.11, 3.12, 3.16, 3.18, 4.1.3, 4.2, 5.2, 6.2.2, 7, 8.3.1, 9.2, 9.3, 9.4, 9.5, 9.7, 9.8, 9.9, 10.2.6, 10.3, 11.3.7, 12, 13.5, 15.1.2, 15.2.1
Contractor's Representations
3.2.1, 3.2.2, 3.5.1, 3.12.6, 6.2.2, 8.2.1, 9.3.3, 9.8.2
Contractor's Responsibility for Those Performing the Work
3.3.2, 3.18, 5.3.1, 6.1.3, 6.2, 9.5.1, 10.2.8
Contractor's Review of Contract Documents
3.2
Contractor's Right to Stop the Work
9.7
Contractor's Right to Terminate the Contract
14.1, 15.1.6
Contractor's Submittals
3.10, 3.11, 3.12.4, 4.2.7, 5.2.1, 5.2.3, 9.2, 9.3, 9.8.2, 9.8.3, 9.9.1, 9.10.2, 9.10.3, 11.1.3, 11.4.2
Contractor's Superintendent
3.9, 10.2.6
Contractor's Supervision and Construction Procedures
1.2.2, 3.3, 3.4, 3.12.10, 4.2.2, 4.2.7, 6.1.3, 6.2.4, 7.1.3, 7.3.5, 7.3.7, 8.2, 10, 12, 14, 15.1.3
Contractual Liability Insurance
11.1.1.8, 11.2
Coordination and Correlation
1.2, 3.2.1, 3.3.1, 3.10, 3.12.6, 6.1.3, 6.2.1
Copies Furnished of Drawings and Specifications
1.5, 2.2.5, 3.11
Copyrights
1.5, **3.17**
Correction of Work
2.3, 2.4, 3.7.3, 9.4.2, 9.8.2, 9.8.3, 9.9.1, 12.1.2, **12.2**
Correlation and Intent of the Contract Documents
1.2
Cost, Definition of
7.3.7
Costs
2.4.1, 3.2.4, 3.7.3, 3.8.2, 3.15.2, 5.4.2, 6.1.1, 6.2.3, 7.3.3.3, 7.3.7, 7.3.8, 7.3.9, 9.10.2, 10.3.2, 10.3.6, 11.3, 12.1.2, 12.2.1, 12.2.4, 13.5, 14
Cutting and Patching
3.14, 6.2.5
Damage to Construction of Owner or Separate Contractors
3.14.2, 6.2.4, 10.2.1.2, 10.2.5, 10.4, 11.1.1, 11.3, 12.2.4
Damage to the Work
3.14.2, 9.9.1, 10.2.1.2, 10.2.5, 10.4.1, 11.3.1, 12.2.4
Damages, Claims for
3.2.4, 3.18, 6.1.1, 8.3.3, 9.5.1, 9.6.7, 10.3.3, 11.1.1, 11.3.5, 11.3.7, 14.1.3, 14.2.4, 15.1.6
Damages for Delay
6.1.1, 8.3.3, 9.5.1.6, 9.7, 10.3.2
Date of Commencement of the Work, Definition of
8.1.2
Date of Substantial Completion, Definition of
8.1.3
Day, Definition of
8.1.4
Decisions of the Architect
3.7.4, 4.2.6, 4.2.7, 4.2.11, 4.2.12, 4.2.13, 15.2, 6.3, 7.3.7, 7.3.9, 8.1.3, 8.3.1, 9.2.1, 9.4, 9.5.1, 9.8.4, 9.9.1, 13.5.2, 14.2.2, 14.2.4, 15.1, 15.2
Decisions to Withhold Certification
9.4.1, **9.5**, 9.7, 14.1.1.3
Defective or Nonconforming Work, Acceptance, Rejection and Correction of
2.3.1, 2.4.1, 3.5.1, 4.2.6, 6.2.5, 9.5.1, 9.5.2, 9.6.6, 9.8.2, 9.9.3, 9.10.4, 12.2.1
Defective Work, Definition of
3.5.1
Definitions
1.1, 2.1.1, 3.1.1, 3.5.1, 3.12.1, 3.12.2, 3.12.3, 4.1.1, 15.1.1, 5.1, 6.1.2, 7.2.1, 7.3.1, 8.1, 9.1, 9.8.1
Delays and Extensions of Time
3.2., 3.7.4, 5.2.3, 7.2.1, 7.3.1, 7.4.1, **8.3**, 9.5.1, 9.7.1, 10.3.2, 10.4.1, 14.3.2, 15.1.5, 15.2.5
Disputes
6.3.1, 7.3.9, 15.1, 15.2
Documents and Samples at the Site
3.11
Drawings, Definition of
1.1.5
Drawings and Specifications, Use and Ownership of
3.11
Effective Date of Insurance
8.2.2, 11.1.2
Emergencies
10.4, 14.1.1.2, 15.1.4
Employees, Contractor's
3.3.2, 3.4.3, 3.8.1, 3.9, 3.18.2, 4.2.3, 4.2.6, 10.2, 10.3.3, 11.1.1, 11.3.7, 14.1, 14.2.1.1

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

Equipment, Labor, Materials or
1.1.3, 1.1.6, 3.4, 3.5.1, 3.8.2, 3.8.3, 3.12, 3.13.1, 3.15.1, 4.2.6, 4.2.7, 5.2.1, 6.2.1, 7.3.7, 9.3.2, 9.3.3, 9.5.1.3, 9.10.2, 10.2.1, 10.2.4, 14.2.1.1, 14.2.1.2
Execution and Progress of the Work
1.1.3, 1.2.1, 1.2.2, 2.2.3, 2.2.5, 3.1, 3.3.1, 3.4.1, 3.5.1, 3.7.1, 3.10.1, 3.12, 3.14, 4.2, 6.2.2, 7.1.3, 7.3.5, 8.2, 9.5.1, 9.9.1, 10.2, 10.3, 12.2, 14.2, 14.3.1, 15.1.3
Extensions of Time
3.2.4, 3.7.4, 5.2.3, 7.2.1, 7.3, 7.4.1, 9.5.1, 9.7.1, 10.3.2, 10.4.1, 14.3, 15.1.5, 15.2.5
Failure of Payment
9.5.1.3, **9.7**, 9.10.2, 13.6, 14.1.1.3, 14.2.1.2
Faulty Work
(See Defective or Nonconforming Work)
Final Completion and Final Payment
4.2.1, 4.2.9, 9.8.2, **9.10**, 11.1.2, 11.1.3, 11.3.1, 11.3.5, 12.3.1, 14.2.4, 14.4.3
Financial Arrangements, Owner's
2.2.1, 13.2.2, 14.1.1.4
Fire and Extended Coverage Insurance
11.3.1.1
GENERAL PROVISIONS
1
Governing Law
13.1
Guarantees (See Warranty)
Hazardous Materials
10.2.4, **10.3**
Identification of Subcontractors and Suppliers
5.2.1
Indemnification
3.17.1, **3.18**, 9.10.2, 10.3.3, 10.3.5, 10.3.6, 11.3.1.2, 11.3.7
Information and Services Required of the Owner
2.1.2, **2.2**, 3.2.2, 3.12.4, 3.12.10, 6.1.3, 6.1.4, 6.2.5, 9.6.1, 9.6.4, 9.9.2, 9.10.3, 10.3.3, 11.2, 11.4, 13.5.1, 13.5.2, 14.1.1.4, 14.1.4, 15.1.3
Initial Decision
15.2
Initial Decision Maker, Definition of
1.1.8
Initial Decision Maker, Decisions
14.2.2, 14.2.4, 15.2.1, 15.2.2, 15.2.3, 15.2.4, 15.2.5
Initial Decision Maker, Extent of Authority
14.2.2, 14.2.4, 15.1.3, 15.2.1, 15.2.2, 15.2.3, 15.2.4, 15.2.5
Injury or Damage to Person or Property
10.2.8, 10.4.1
Inspections
3.1.3, 3.3.3, 3.7.1, 4.2.2, 4.2.6, 4.2.9, 9.4.2, 9.8.3, 9.9.2, 9.10.1, 12.2.1, 13.5
Instructions to Bidders
1.1.1
Instructions to the Contractor
3.2.4, 3.3.1, 3.8.1, 5.2.1, 7, 8.2.2, 12, 13.5.2
Instruments of Service, Definition of
1.1.7
Insurance
3.18.1, 6.1.1, 7.3.7, 9.3.2, 9.8.4, 9.9.1, 9.10.2, **11**
Insurance, Boiler and Machinery
11.3.2
Insurance, Contractor's Liability
11.1
Insurance, Effective Date of
8.2.2, 11.1.2
Insurance, Loss of Use
11.3.3
Insurance, Owner's Liability
11.2
Insurance, Property
10.2.5, **11.3**
Insurance, Stored Materials
9.3.2, 11.4.1.4
INSURANCE AND BONDS
11
Insurance Companies, Consent to Partial Occupancy
9.9.1, 11.4.1.5
Insurance Companies, Settlement with
11.4.10
Intent of the Contract Documents
1.2.1, 4.2.7, 4.2.12, 4.2.13, 7.4
Interest
13.6
Interpretation
1.2.3, **1.4**, 4.1.1, 5.1, 6.1.2, 15.1.1
Interpretations, Written
4.2.11, 4.2.12, 15.1.4
Judgment on Final Award
15.4.2
Labor and Materials, Equipment
1.1.3, 1.1.6, **3.4**, 3.5.1, 3.8.2, 3.8.3, 3.12, 3.13, 3.15.1, 4.2.6, 4.2.7, 5.2.1, 6.2.1, 7.3.7, 9.3.2, 9.3.3, 9.5.1.3, 9.10.2, 10.2.1, 10.2.4, 14.2.1.1, 14.2.1.2
Labor Disputes
8.3.1
Laws and Regulations
1.5, 3.2.3, 3.6, 3.7, 3.12.10, 3.13.1, 4.1.1, 9.6.4, 9.9.1, 10.2.2, 11.1.1, 11.3, 13.1.1, 13.4, 13.5.1, 13.5.2, 13.6.1, 14, 15.2.8, 15.4
Liens
2.1.2, 9.3.3, 9.10.2, 9.10.4, 15.2.8
Limitations, Statutes of
12.2.5, 13.7, 15.4.1.1
Limitations of Liability
2.3.1, 3.2.2, 3.5.1, 3.12.10, 3.17.1, 3.18.1, 4.2.6, 4.2.7, 4.2.12, 6.2.2, 9.4.2, 9.6.4, 9.6.7, 10.2.5, 10.3.3, 11.1.2, 11.2, 11.3.7, 12.2.5, 13.4.2
Limitations of Time
2.1.2, 2.2, 2.4, 3.2.2, 3.10, 3.11, 3.12.5, 3.15.1, 4.2.7, 5.2, 5.3.1, 5.4.1, 6.2.4, 7.3, 7.4, 8.2, 9.2.1, 9.3.1, 9.3.3, 9.4.1, 9.5, 9.6, 9.7.1, 9.8, 9.9, 9.10, 11.1.3, 11.3.1.5, 11.3.6, 11.3.10, 12.2, 13.5, 13.7, 14, 15

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. **All rights reserved.** WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

Loss of Use Insurance
11.3.3
Material Suppliers
1.5, 3.12.1, 4.2.4, 4.2.6, 5.2.1, 9.3, 9.4.2, 9.6, 9.10.5
Materials, Hazardous
10.2.4, **10.3**
Materials, Labor, Equipment and
1.1.3, 1.1.6, 1.5.1, 3.4.1, 3.5.1, 3.8.2, 3.8.3, 3.12, 3.13.1, 3.15.1, 4.2.6, 4.2.7, 5.2.1, 6.2.1, 7.3.7, 9.3.2, 9.3.3, 9.5.1.3, 9.10.2, 10.2.1.2, 10.2.4, 14.2.1.1, 14.2.1.2
Means, Methods, Techniques, Sequences and Procedures of Construction
3.3.1, 3.12.10, 4.2.2, 4.2.7, 9.4.2
Mechanic's Lien
2.1.2, 15.2.8
Mediation
8.3.1, 10.3.5, 10.3.6, 15.2.1, 15.2.5, 15.2.6, **15.3**, 15.4.1
Minor Changes in the Work
1.1.1, 3.12.8, 4.2.8, 7.1, **7.4**
MISCELLANEOUS PROVISIONS
13
Modifications, Definition of
1.1.1
Modifications to the Contract
1.1.1, 1.1.2, 3.11, 4.1.2, 4.2.1, 5.2.3, 7, 8.3.1, 9.7.1, 10.3.2, 11.3.1
Mutual Responsibility
6.2
Nonconforming Work, Acceptance of
9.6.6, 9.9.3, **12.3**
Nonconforming Work, Rejection and Correction of
2.3.1, 2.4.1, 3.5.1, 4.2.6, 6.2.4, 9.5.1, 9.8.2, 9.9.3, 9.10.4, 12.2.1
Notice
2.2.1, 2.3.1, 2.4.1, 3.2.4, 3.3.1, 3.7.2, 3.12.9, 5.2.1, 9.7.1, 9.10, 10.2.2, 11.1.3, 11.4.6, 12.2.2.1, 13.3, 13.5.1, 13.5.2, 14.1, 14.2, 15.2.8, 15.4.1
Notice, Written
2.3.1, 2.4.1, 3.3.1, 3.9.2, 3.12.9, 3.12.10, 5.2.1, 9.7.1, 9.10, 10.2.2, 10.3, 11.1.3, 11.3.6, 12.2.2.1, **13.3**, 14, 15.2.8, 15.4.1
Notice of Claims
3.7.4, 4.5, 10.2.8, **15.1.2**, 15.4
Notice of Testing and Inspections
13.5.1, 13.5.2
Observations, Contractor's
3.2, 3.7.4
Occupancy
2.2.2, 9.6.6, 9.8, 11.3.1.5
Orders, Written
1.1.1, 2.3, 3.9.2, 7, 8.2.2, 11.3.9, 12.1, 12.2.2.1, 13.5.2, 14.3.1
OWNER
2
Owner, Definition of
2.1.1
Owner, Information and Services Required of the
2.1.2, **2.2**, 3.2.2, 3.12.10, 6.1.3, 6.1.4, 6.2.5, 9.3.2, 9.6.1, 9.6.4, 9.9.2, 9.10.3, 10.3.3, 11.2, 11.3, 13.5.1, 13.5.2, 14.1.1.4, 14.1.4, 15.1.3
Owner's Authority
1.5, 2.1.1, 2.3.1, 2.4.1, 3.4.2, 3.8.1, 3.12.10, 3.14.2, 4.1.2, 4.1.3, 4.2.4, 4.2.9, 5.2.1, 5.2.4, 5.4.1, 6.1, 6.3.1, 7.2.1, 7.3.1, 8.2.2, 8.3.1, 9.3.1, 9.3.2, 9.5.1, 9.6.4, 9.9.1, 9.10.2, 10.3.2, 11.1.3, 11.3.3, 11.3.10, 12.2.2, 12.3.1, 13.2.2, 14.3, 14.4, 15.2.7
Owner's Financial Capability
2.2.1, 13.2.2, 14.1.1.4
Owner's Liability Insurance
11.2
Owner's Loss of Use Insurance
11.3.3
Owner's Relationship with Subcontractors
1.1.2, 5.2, 5.3, 5.4, 9.6.4, 9.10.2, 14.2.2
Owner's Right to Carry Out the Work
2.4, 14.2.2
Owner's Right to Clean Up
6.3
Owner's Right to Perform Construction and to Award Separate Contracts
6.1
Owner's Right to Stop the Work
2.3
Owner's Right to Suspend the Work
14.3
Owner's Right to Terminate the Contract
14.2
Ownership and Use of Drawings, Specifications and Other Instruments of Service
1.1.1, 1.1.6, 1.1.7, **1.5**, 2.2.5, 3.2.2, 3.11.1, 3.17.1, 4.2.12, 5.3.1
Partial Occupancy or Use
9.6.6, **9.9**, 11.3.1.5
Patching, Cutting and
3.14, 6.2.5
Patents
3.17
Payment, Applications for
4.2.5, 7.3.9, 9.2.1, **9.3**, 9.4, 9.5, 9.6.3, 9.7.1, 9.8.5, 9.10.1, 14.2.3, 14.2.4, 14.4.3
Payment, Certificates for
4.2.5, 4.2.9, 9.3.3, **9.4**, 9.5, 9.6.1, 9.6.6, 9.7.1, 9.10.1, 9.10.3, 13.7, 14.1.1.3, 14.2.4
Payment, Failure of
9.5.1.3, **9.7**, 9.10.2, 13.6, 14.1.1.3, 14.2.1.2
Payment, Final
4.2.1, 4.2.9, 9.8.2, 9.10, 11.1.2, 11.1.3, 11.4.1, 11.4.5, 12.3.1, 13.7, 14.2.4, 14.4.3
Payment Bond, Performance Bond and
7.3.7.4, 9.6.7, 9.10.3, 11.4.9, **11.4**

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. **All rights reserved.** **WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

Payments, Progress
9.3, **9.6**, 9.8.5, 9.10.3, 13.6, 14.2.3, 15.1.3
PAYMENTS AND COMPLETION
9
Payments to Subcontractors
5.4.2, 9.5.1.3, 9.6.2, 9.6.3, 9.6.4, 9.6.7, 11.4.8, 14.2.1.2
PCB
10.3.1
Performance Bond and Payment Bond
7.3.7.4, 9.6.7, 9.10.3, 11.4.9, **11.4**
Permits, Fees, Notices and Compliance with Laws
2.2.2, **3.7**, 3.13, 7.3.7.4, 10.2.2
PERSONS AND PROPERTY, PROTECTION OF
10
Polychlorinated Biphenyl
10.3.1
Product Data, Definition of
3.12.2
Product Data and Samples, Shop Drawings
3.11, **3.12**, 4.2.7
Progress and Completion
4.2.2, **8.2**, 9.8, 9.9.1, 14.1.4, 15.1.3
Progress Payments
9.3, **9.6**, 9.8.5, 9.10.3, 13.6, 14.2.3, 15.1.3
Project, Definition of the
1.1.4
Project Representatives
4.2.10
Property Insurance
10.2.5, **11.3**
PROTECTION OF PERSONS AND PROPERTY
10
Regulations and Laws
1.5, 3.2.3, 3.6, 3.7, 3.12.10, 3.13, 4.1.1, 9.6.4, 9.9.1, 10.2.2, 11.1, 11.4, 13.1, 13.4, 13.5.1, 13.5.2, 13.6, 14, 15.2.8, 15.4
Rejection of Work
3.5.1, 4.2.6, 12.2.1
Releases and Waivers of Liens
9.10.2
Representations
3.2.1, 3.5.1, 3.12.6, 6.2.2, 8.2.1, 9.3.3, 9.4.2, 9.5.1, 9.8.2, 9.10.1
Representatives
2.1.1, 3.1.1, 3.9, 4.1.1, 4.2.1, 4.2.2, 4.2.10, 5.1.1, 5.1.2, 13.2.1
Responsibility for Those Performing the Work
3.3.2, 3.18, 4.2.3, 5.3.1, 6.1.3, 6.2, 6.3, 9.5.1, 10
Retainage
9.3.1, 9.6.2, 9.8.5, 9.9.1, 9.10.2, 9.10.3
Review of Contract Documents and Field Conditions by Contractor
3.2, 3.12.7, 6.1.3
Review of Contractor's Submittals by Owner and Architect
3.10.1, 3.10.2, 3.11, 3.12, 4.2, 5.2, 6.1.3, 9.2, 9.8.2
Review of Shop Drawings, Product Data and Samples by Contractor
3.12
Rights and Remedies
1.1.2, 2.3, 2.4, 3.5.1, 3.7.4, 3.15.2, 4.2.6, 4.5, 5.3, 5.4, 6.1, 6.3, 7.3.1, 8.3, 9.5.1, 9.7, 10.2.5, 10.3, 12.2.2, 12.2.4, **13.4**, 14, 15.4
Royalties, Patents and Copyrights
3.17
Rules and Notices for Arbitration
15.4.1
Safety of Persons and Property
10.2, 10.4
Safety Precautions and Programs
3.3.1, 4.2.2, 4.2.7, 5.3.1, **10.1**, 10.2, 10.4
Samples, Definition of
3.12.3
Samples, Shop Drawings, Product Data and
3.11, **3.12**, 4.2.7
Samples at the Site, Documents and
3.11
Schedule of Values
9.2, 9.3.1
Schedules, Construction
3.10, 3.12.1, 3.12.2, 6.1.3, 15.1.5.2
Separate Contracts and Contractors
1.1.4, 3.12.5, 3.14.2, 4.2.4, 4.2.7, 6, 8.3.1, 11.4.7, 12.1.2
Shop Drawings, Definition of
3.12.1
Shop Drawings, Product Data and Samples
3.11, **3.12**, 4.2.7
Site, Use of
3.13, 6.1.1, 6.2.1
Site Inspections
3.2.2, 3.3.3, 3.7.1, 3.7.4, 4.2, 9.4.2, 9.10.1, 13.5
Site Visits, Architect's
3.7.4, 4.2.2, 4.2.9, 9.4.2, 9.5.1, 9.9.2, 9.10.1, 13.5
Special Inspections and Testing
4.2.6, 12.2.1, 13.5
Specifications, Definition of the
1.1.6
Specifications, The
1.1.1, **1.1.6**, 1.2.2, 1.5, 3.11, 3.12.10, 3.17, 4.2.14
Statute of Limitations
13.7, 15.4.1.1
Stopping the Work
2.3, 9.7, 10.3, 14.1
Stored Materials
6.2.1, 9.3.2, 10.2.1.2, 10.2.4, 11.4.1.4
Subcontractor, Definition of
5.1.1
SUBCONTRACTORS
5
Subcontractors, Work by
1.2.2, 3.3.2, 3.12.1, 4.2.3, 5.2.3, 5.3, 5.4, 9.3.1.2, 9.6.7

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

Subcontractual Relations
5.3, 5.4, 9.3.1.2, 9.6, 9.10, 10.2.1, 11.4.7, 11.4.8, 14.1, 14.2.1
Submittals
3.10, 3.11, 3.12, 4.2.7, 5.2.1, 5.2.3, 7.3.7, 9.2, 9.3, 9.8, 9.9.1, 9.10.2, 9.10.3, 11.1.3
Submittal Schedule
3.10.2, 3.12.5, 4.2.7
Subrogation, Waivers of
6.1.1, 11.4.5, **11.3.7**
Substantial Completion
4.2.9, 8.1.1, 8.1.3, 8.2.3, 9.4.2, **9.8**, 9.9.1, 9.10.3, 12.2, 13.7
Substantial Completion, Definition of
9.8.1
Substitution of Subcontractors
5.2.3, 5.2.4
Substitution of Architect
4.1.3
Substitutions of Materials
3.4.2, 3.5.1, 7.3.8
Sub-subcontractor, Definition of
5.1.2
Subsurface Conditions
3.7.4
Successors and Assigns
13.2
Superintendent
3.9, 10.2.6
Supervision and Construction Procedures
1.2.2, **3.3**, 3.4, 3.12.10, 4.2.2, 4.2.7, 6.1.3, 6.2.4, 7.1.3, 7.3.7, 8.2, 8.3.1, 9.4.2, 10, 12, 14, 15.1.3
Surety
5.4.1.2, 9.8.5, 9.10.2, 9.10.3, 14.2.2, 15.2.7
Surety, Consent of
9.10.2, 9.10.3
Surveys
2.2.3
Suspension by the Owner for Convenience
14.3
Suspension of the Work
5.4.2, 14.3
Suspension or Termination of the Contract
5.4.1.1, 11.4.9, 14
Taxes
3.6, 3.8.2.1, 7.3.7.4
Termination by the Contractor
14.1, 15.1.6
Termination by the Owner for Cause
5.4.1.1, **14.2**, 15.1.6
Termination by the Owner for Convenience
14.4
Termination of the Architect
4.1.3
Termination of the Contractor
14.2.2
TERMINATION OR SUSPENSION OF THE CONTRACT
14
Tests and Inspections
3.1.3, 3.3.3, 4.2.2, 4.2.6, 4.2.9, 9.4.2, 9.8.3, 9.9.2, 9.10.1, 10.3.2, 11.4.1.1, 12.2.1, **13.5**
TIME
8
Time, Delays and Extensions of
3.2.4, 3.7.4, 5.2.3, 7.2.1, 7.3.1, 7.4.1, **8.3**, 9.5.1, 9.7.1, 10.3.2, 10.4.1, 14.3.2, 15.1.5, 15.2.5
Time Limits
2.1.2, 2.2, 2.4, 3.2.2, 3.10, 3.11, 3.12.5, 3.15.1, 4.2, 4.4, 4.5, 5.2, 5.3, 5.4, 6.2.4, 7.3, 7.4, 8.2, 9.2, 9.3.1, 9.3.3, 9.4.1, 9.5, 9.6, 9.7, 9.8, 9.9, 9.10, 11.1.3, 11.4.1.5, 11.4.6, 11.4.10, 12.2, 13.5, 13.7, 14, 15.1.2, 15.4
Time Limits on Claims
3.7.4, 10.2.8, **13.7**, 15.1.2
Title to Work
9.3.2, 9.3.3
Transmission of Data in Digital Form
1.6
UNCOVERING AND CORRECTION OF WORK
12
Uncovering of Work
12.1
Unforeseen Conditions, Concealed or Unknown
3.7.4, 8.3.1, 10.3
Unit Prices
7.3.3.2, 7.3.4
Use of Documents
1.1.1, 1.5, 2.2.5, 3.12.6, 5.3
Use of Site
3.13, 6.1.1, 6.2.1
Values, Schedule of
9.2, 9.3.1
Waiver of Claims by the Architect
13.4.2
Waiver of Claims by the Contractor
9.10.5, 11.4.7, 13.4.2, 15.1.6
Waiver of Claims by the Owner
9.9.3, 9.10.3, 9.10.4, 11.4.3, 11.4.5, 11.4.7, 12.2.2.1, 13.4.2, 14.2.4, 15.1.6
Waiver of Consequential Damages
14.2.4, 15.1.6
Waiver of Liens
9.10.2, 9.10.4
Waivers of Subrogation
6.1.1, 11.4.5, **11.3.7**
Warranty
3.5, 4.2.9, 9.3.3, 9.8.4, 9.9.1, 9.10.4, 12.2.2, 13.7.1
Weather Delays
15.1.5.2
Work, Definition of
1.1.3

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

Written Consent
1.5.2, 3.4.2, 3.7.4, 3.12.8, 3.14.2, 4.1.2, 9.3.2, 9.8.5, 9.9.1, 9.10.2, 9.10.3, 11.4.1, 13.2, 13.4.2, 15.4.4.2
Written Interpretations
4.2.11, 4.2.12

Written Notice
2.3, 2.4, 3.3.1, 3.9, 3.12.9, 3.12.10, 5.2.1, 8.2.2, 9.7, 9.10, 10.2.2, 10.3, 11.1.3, 11.4.6, 12.2.2, 12.2.4, **13.3**, 14, 15.4.1
Written Orders
1.1.1, 2.3, 3.9, 7, 8.2.2, 11.4.9, 12.1, 12.2, 13.5.2, 14.3.1, 15.1.2

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. **All rights reserved.** **WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

§ 15.4.1 DELETED..

§ 15.4.1.1 DELETED.

§ 15.4.2 DELETED.

§ 15.4.3 DELETED.

§ 15.4.4 CONSOLIDATION OR JOINDER

§ 15.4.4.1 DELETED.

§ 15.4.4.2 DELETED.

§ 15.4.4.3 DELETED.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

ARTICLE 1 GENERAL PROVISIONS

§ 1.1 BASIC DEFINITIONS

§ 1.1.1 THE CONTRACT DOCUMENTS

The Contract Documents are enumerated in the Agreement between the Owner and Contractor (hereinafter the Agreement) and consist of the Agreement, Conditions of the Contract (General, Supplementary and other Conditions), Drawings, Specifications, Addenda issued prior to execution of the Contract, other documents listed in the Agreement and Modifications issued after execution of the Contract. A Modification is (1) a written amendment to the Contract signed by both parties, (2) a Change Order, (3) a Construction Change Directive or (4) a written order for a minor change in the Work issued by the Architect pursuant to Paragraph 7.4. At the Owner's option, the Contract Documents do not include the advertisement or invitation to bid, Instructions to Bidders, sample forms, other information furnished by the Owner in anticipation of receiving bids or proposals, the Contractor's bid or proposal, or portions of Addenda relating to bidding requirements.

§ 1.1.1.1 Contractor acknowledges and warrants that it has closely examined all the Contract Documents and is unaware of any instance where the documents are not suitable or are insufficient, to enable the Contractor to complete the Work in a timely manner for the Contract sum, and that they include all Work, whether or not shown or described, which reasonably may be inferred or useful for the completion of the Work in full compliance with all applicable codes, laws, ordinances, and regulations.

§ 1.1.2 THE CONTRACT

The Contract Documents form the Contract for Construction. The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. The Contract may be amended or modified only by a Modification. The Contract Documents shall not be construed to create a contractual relationship of any kind (1) between the Contractor and the Architect or the Architect's consultants, (2) between the Owner and a Subcontractor or a Sub-subcontractor (except as provided in Paragraph 5.3 and 5.4 hereof), (3) between the Owner and the Architect or the Architect's consultants or (4) between any persons or entities other than the Owner and the Contractor. The Architect shall, however, be entitled to performance and enforcement of obligations of the Contractor under the Contract intended to facilitate performance of the Architect's duties.

§ 1.1.3 THE WORK

The term "Work" means the construction and services required by the Contract Documents, whether completed or partially completed, and includes all other labor, materials, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's obligations. The Work may constitute the whole or a part of the Project.

§ 1.1.3.1 The Work shall include the obligation of the Contractor to visit the site of the project before submitting a proposal. Such site visit shall be for the purpose of familiarizing Contractor with the conditions as they exist and the character of the operations to be carried on under the Contract Documents, including all existing site conditions, access to the site, physical characteristics of the site and surrounding areas. It also includes all supplies, skill, supervision, transportation services and other facilities and things necessary, proper or incidental to the carrying out and completion of the terms of the Contract and all other items of cost or value needed to produce, construct and fully complete the public work identified by the Contract Documents.

§ 1.1.4 THE PROJECT

The Project is the total construction of which the Work performed under the Contract Documents may be the whole or a part and which may include construction by the Owner and by separate contractors.

§ 1.1.5 THE DRAWINGS

The Drawings are the graphic and pictorial portions of the Contract Documents showing the design, location and dimensions of the Work, generally including plans, elevations, sections, details, schedules and diagrams wherever located and whenever issued.

§ 1.1.6 THE SPECIFICATIONS

The Specifications are that portion of the Contract Documents consisting of the written requirements for materials, equipment, systems, standards and workmanship for the Work, and performance of related services.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

§ 1.1.7 INSTRUMENTS OF SERVICE

Instruments of Service are representations, in any medium of expression now known or later developed, of the tangible and intangible creative work performed by the Architect and the Architect's consultants under their respective professional services agreements. Instruments of Service may include, without limitation, studies, surveys, models, sketches, drawings, specifications, and other similar materials.

§ 1.1.8 INITIAL DECISION MAKER

The Initial Decision Maker is the person identified in the Agreement to render initial decisions on Claims in accordance with Section 15.2 and certify termination of the Agreement under Section 14.2.2.

§ 1.2 CORRELATION AND INTENT OF THE CONTRACT DOCUMENTS

§ 1.2.1 The intent of the Contract Documents is to include all items necessary for the proper execution and completion of the Work by the Contractor. The Contract Documents are complementary, and what is required by one shall be as binding as if required by all; performance by the Contractor shall be required only to the extent consistent with the Contract Documents and reasonably inferable from them as being necessary to produce the indicated results. Any differences between the requirements of the Drawings and the Specifications or any differences noted within the Drawings themselves or within the Specifications themselves have been referred to Owner and Architect by Contractor prior to the submission of bids and have been clarified by an Addendum issued to all bidders.

If such differences or conflicts were not called to Owner's and Architect's attention prior to submission of bids, Architect shall decide which of the conflicting requirements will govern based upon the following: the most stringent of the requirements will take precedence over the less stringent; the most expensive item will take precedence over the less expensive, and subject to the approval of Owner, Contractor shall perform the Work at no additional cost and/or time to Owner in accordance with the Architect's decision. Work not covered in the Contract Documents will not be required unless it is consistent therewith and is reasonably inferable as being necessary to produce the intended results.

§ 1.2.1.1 In the event of conflicts or discrepancies among the Contract Documents, interpretations will be based on the following priorities:

.1 The Agreement;
.2 Addenda, with those of later date having precedence over those of earlier date;
.3 Supplemental Conditions, if any;
.4 The General Conditions of the Contract for Construction;
.5 Specifications
.6 Drawings, in the case of inconsistency between the Drawings and Specifications or within either document, not clarified by Addendum, the better quality or greater quantity of Work shall be included in the Contract Documents. Clarifications of the inconsistency will be accomplished with the Contractor and, if necessary, an appropriate reduction in the contract will be accomplished with the Contractor and, if necessary, an appropriate reduction in the contract will be accomplished by Change Order. Figures given on drawings govern scale measurements. Large scale drawings take precedence over small sale drawings. Written words, take precedence over numbers. Handwritten documents take precedence over typewritten documents. Existing conditions take precedence over drawings and specifications for dimensions and shall be verified by the Contractor. The Contractor proceeds at his own risk if conflicts or discrepancies are not resolved prior to the execution of the Work.

§ 1.2.1.2 If Work is required in a manner to make it impossible to produce Work of the quality required by or reasonably inferred from the Contract Documents, or should discrepancies appear among the Contract Documents, Contractor shall request in writing an interpretation from Architect before proceeding with the Work. If Contractor fails to make such request, no excuse will thereafter be entertained for failure to carryout Work in the required manner or provide required guarantees, warranties, or bonds, and Contractor shall not be entitled to any change in the Contract Sum or the Contract Time on account of such failure.

§ 1.2.2 Organization of the Specifications into divisions, sections and articles, and arrangement of Drawings shall not control the Contractor in dividing the Work among Subcontractors or in establishing the extent of Work to be performed by any trade.

Init.
/

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

§ 1.2.3 Unless otherwise stated in the Contract Documents, words that have well-known technical or construction industry meanings are used in the Contract Documents in accordance with such recognized meanings.

§ 1.3 CAPITALIZATION

Terms capitalized in these General Conditions include those that are (1) specifically defined, (2) the titles of numbered articles or (3) the titles of other documents published by the American Institute of Architects.

§ 1.4 INTERPRETATION

In the interest of brevity the Contract Documents frequently omit modifying words such as "all" and "any" and articles such as "the" and "an," but the fact that a modifier or an article is absent from one statement and appears in another is not intended to affect the interpretation of either statement.

§ 1.5 OWNERSHIP AND USE OF DRAWINGS, SPECIFICATIONS AND OTHER INSTRUMENTS OF SERVICE

§ 1.5.1 Instruments of Service, including the Drawings, Specifications, and other similar or related documents and copies thereof are furnished to Contractor for the purpose of performing the Work and are, and shall remain, the property of Owner and Owner will retain all common law, statutory and other reserved rights, including copyrights. The Contractor, Subcontractors, Sub-subcontractors, and material or equipment suppliers shall not own or claim a copyright in the Instruments of Service. Submittal or distribution to meet official regulatory requirements or for other purposes in connection with this Project is not to be construed as publication in derogation of the Owner or Owners' consultants reserved rights.

§ 1.5.2 The Contractor, Subcontractors, Sub-subcontractors and material or equipment suppliers are authorized to use and reproduce the Instruments of Service provided to them solely and exclusively for execution of the Work. All copies made under this authorization shall bear the copyright notice, if any, shown on the Instruments of Service. The Contractor, Subcontractors, Sub-subcontractors, and material or equipment suppliers may not use the Instruments of Service on other projects or for additions to this Project outside the scope of the Work without the specific written consent of the Owner, Architect and the Architect's consultants.

§ 1.6 TRANSMISSION OF DATA IN DIGITAL FORM

If the parties intend to transmit Instruments of Service or any other information or documentation in digital form, they shall endeavor to establish necessary protocols governing such transmissions, unless otherwise already provided in the Agreement or the Contract Documents.

ARTICLE 2 OWNER

§ 2.1 GENERAL

§ 2.1.1 The Owner is the person or entity identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The Commissioners Court of Owner, by majority vote, is the only representative of Owner, having the power to enter into a Contract, to execute a change order requiring an increase in the Contract Sum, or agree to an extension of the contractual completion date. The Commissioners Court shall designate, as appropriate, an authorized representative(s) to act on its behalf during the course of construction. In the event that an emergency changes the scope of the Work before the next regular meeting or in order to facilitate and expedite the timely completion of the Work, the Commissioners Court's authorized representative(s) may approve construction changes that do not exceed $10,000.00 in increased costs. Any such changes shall be confirmed in writing between the Contractor and the Commissioner Court's authorized representative(s) and notice of such approved changes shall be given to the Commissioners Court at its next regular meeting. The Commissioners Court will act as soon as reasonably possible to avoid undue delays in the construction completion date.

§ 2.1.2 DELETE.

§ 2.2 INFORMATION AND SERVICES REQUIRED OF THE OWNER

§ 2.2.1 Prior to commencement of the Work, the Contractor may request in writing that the Owner provide reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract. Thereafter, the Contractor may only request such evidence if (1) the Owner fails to make payments to the Contractor as the Contract Documents require; (2) a change in the Work materially changes the Contract Sum; or (3) the Contractor identifies in writing a reasonable concern regarding the Owner's ability to make payment when due. The Owner shall furnish such evidence as a condition precedent to commencement or continuation of the Work or the

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:

(959998329)

portion of the Work affected by a material change. After the Owner furnishes the evidence, the Owner shall not materially vary such financial arrangements without prior notice to the Contractor.

§ 2.2.2 Except for permits and fees that are the responsibility of the Contractor under the Contract Documents, including those required under Section 3.7.1, the Owner shall secure and pay for necessary approvals, easements, assessments and charges required for construction, use or occupancy of permanent structures or for permanent changes in existing facilities.

§ 2.2.3 The Owner shall furnish surveys describing physical characteristics and legal limitations for the site of the Project, and a legal description of the site. The Contractor shall be entitled to rely on the accuracy of information furnished by the Owner but shall exercise proper precautions relating to the safe performance of the Work. In connection with the foregoing, Contractor shall be solely responsible for locating (and shall locate prior to performing any Work) all utilities lines, telephone company lines and cable, sewer lines, water pipes, gas lines, electrical lines, including without limitation, all buried pipelines and buried telephone cables an shall perform the Work in such a manner so as to avoid damaging any such lines, cables, pipes and pipelines. Under this provision the Architect and Engineer are in no way relieved of their responsibilities outlined in the Contract or other attached contracts for identification of existing conditions.

§ 2.2.4 The Owner shall furnish information or services required of the Owner by the Contract Documents with reasonable promptness. The Owner shall also furnish any other information or services under the Owner's control and relevant to the Contractor's performance of the Work with reasonable promptness after receiving the Contractor's written request for such information or services.

§ 2.2.5 Unless otherwise provided in the Contract Documents, the Owner shall furnish to the Contractor one copy of the Contract Documents for purposes of making reproductions pursuant to Section 1.5.2 for use on this Project. All costs of reproduction are the responsibility of Contractor.

§ 2.3 OWNER'S RIGHT TO STOP THE WORK

If the Contractor fails to correct Work that is not in accordance with the requirements of the Contract Documents as required by Section 12.2 or repeatedly fails to carry out Work in accordance with the Contract Documents or fails to remove and discharge (within ten (10) days) any lien filed upon Owner's or Landlord's property by anyone claiming by, through, or under Contractor; or disregards the instructions of Architect or Owner when based on the requirements of the Contract Documents, the Owner may issue a written order to the Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, the right of the Owner to stop the Work shall not give rise to a duty on the part of the Owner to exercise this right for the benefit of the Contractor or any other person or entity, except to the extent required by Section 6.1.3, and any delay resulting from such Work stoppage shall not extend any Milestone Date identified in the Contract for Construction or the required dates of Substantial or Final Completion.

§ 2.4 OWNER'S RIGHT TO CARRY OUT THE WORK

If the Contractor defaults or neglects to carry out the Work in accordance with the Contract Documents and fails within a ten-day period after receipt of written notice from the Owner to commence and continue correction of such default or neglect with diligence and promptness, the Owner may, without prejudice to other remedies the Owner may have, correct such deficiencies. In such case an appropriate Change Order shall be issued deducting from payments then or thereafter due the Contractor the reasonable cost of correcting such deficiencies, including Owner's expenses and compensation for the Architect's additional services made necessary by such default, neglect or failure. Such action by the Owner and amounts charged to the Contractor are both subject to prior approval of the Architect. If payments then or thereafter due the Contractor are not sufficient to cover such amounts, the Contractor shall pay the difference to the Owner.

§ 2.4.1 The rights stated in Article 2 shall be in addition to and not in limitation of any other rights of Owner granted in the Contract Documents or at law or in equity.

ARTICLE 3 CONTRACTOR

§ 3.1 GENERAL

§ 3.1.1 The Contractor is the person or entity identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The Contractor shall be lawfully licensed, if required in the jurisdiction

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

where the Project is located. The Contractor shall designate in writing a representative who shall have express authority to bind the Contractor with respect to all matters under this Contract. The term "Contractor" means the Contractor or the Contractor's authorized representative.

§ 3.1.2 The Contractor shall perform the Work in accordance with the Contract Documents.

§ 3.1.3 The Contractor shall not be relieved of obligations to perform the Work in accordance with the Contract Documents either by activities or duties of the Architect in the Architect's administration of the Contract, or by tests, inspections or approvals required or performed by persons or entities other than the Contractor.

§ 3.2 REVIEW OF CONTRACT DOCUMENTS AND FIELD CONDITIONS BY CONTRACTOR

§ 3.2.1 Execution of the Contract by the Contractor is a representation that the Contractor has visited the site, become generally familiar with local conditions under which the Work is to be performed and correlated personal observations with requirements of the Contract Documents.

§ 3.2.2 Because the Contract Documents are complementary, the Contractor shall, before starting each portion of the Work, carefully study and compare the various Contract Documents relative to that portion of the Work, as well as the information furnished by the Owner pursuant to Section 2.2.3, shall take field measurements of any existing conditions related to that portion of the Work, and shall observe any conditions at the site affecting it. These obligations are for the purpose of facilitating coordination and construction by the Contractor and are not for the purpose of discovering errors, omissions, or inconsistencies in the Contract Documents; however, the Contractor shall promptly report to the Architect and Owner in writing any errors, inconsistencies or omissions discovered by or made known to the Contractor as a request for design information in such form as the Architect may require.

§ 3.2.3 The Contractor is not required to ascertain that the Contract Documents are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Contractor shall promptly report to the Architect and Owner in writing any nonconformity discovered by or made known to the Contractor as a request for design information in such form as the Architect may require.

§ 3.2.4 If the Contractor believes that additional cost or time is involved because of clarifications or instructions the Architect issues in response to the Contractor's notices or requests for information pursuant to Sections 3.2.2 or 3.2.3, the Contractor shall make Claims as provided in Article 15. If the Contractor fails to perform the obligations of Sections 3.2.2 or 3.2.3, the Contractor shall pay such costs and damages to the Owner as would have been avoided if the Contractor had performed such obligations. If the Contractor performs those obligations, the Contractor shall not be liable to the Owner or Architect for damages resulting from errors, inconsistencies or omissions in the Contract Documents, for differences between field measurements or conditions and the Contract Documents, or for nonconformities of the Contract Documents to applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities unless the Contractor recognized or reasonably should have recognized such error, inconsistency, omission or difference and knowingly failed to report it to the Architect and Owner.

§ 3.2.5 The Contractor shall not be entitled to additional compensation for the "rework portion" of any additional work caused by his failure to carefully study and compare the Contract Documents prior to execution of the Work.

§ 3.2.6 The Contractor shall make reasonable attempt to interpret the Contract Documents before asking the Architect for assistance in interpretation. The Contractor shall not ask the Architect for observation of work prior to the Contractor's field superintendent's personal inspection of the work and his determination that the work complies with the Contract Documents.

§ 3.2.7 If, in the opinion of the Architect, the Contractor does not make a reasonable effort to comply with the above requirements of the Contract Documents and this causes the Architect or his consultants to expend an unreasonable amount of the time in the discharge of the duties imposed on him by the Contract Documents, then the Contractor shall bear the cost of compensation for the Architect's additional services made necessary by such failure. The Architect will give the Contractor prior notice of intent to bill for additional services related to 3.2.6, 3.2.7, and 3.12 before additional services are performed.

§ 3.2.8 If the Contractor has knowledge that any of the products or systems specified will perform in a manner that will limit the Contractor's ability to satisfactorily perform the work or to honor his Warranty, Contractor shall promptly

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

notify the Architect in writing, providing substantiation for the position. Any necessary changes, including substitutions of materials, may only be accomplished by an appropriate Modification.

§ 3.3 SUPERVISION AND CONSTRUCTION PROCEDURES

§ 3.3.1 The Contractor shall supervise and direct the Work, using the Contractor's best skill and attention. The Contractor shall be solely responsible for, and have control over, construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Work under the Contract, unless the Contract Documents give other specific instructions concerning these matters. If the Contract Documents give specific instructions concerning construction means, methods, techniques, sequences or procedures, the Contractor shall evaluate the jobsite safety thereof and, except as stated below, shall be fully and solely responsible for the jobsite safety of such means, methods, techniques, sequences or procedures. If the Contractor determines that such means, methods, techniques, sequences or procedures may not be safe, the Contractor shall give timely written notice to the Owner and Architect and shall not proceed with that portion of the Work without further written instructions from the Architect.

§ 3.3.2 The Contractor shall be responsible to the Owner for acts and omissions of the Contractor's employees, Subcontractors and their agents and employees, and other persons or entities performing portions of the Work for, or on behalf of, the Contractor or any of its Subcontractors.

§ 3.3.3 The Contractor shall be responsible for inspection of portions of Work already performed to determine that such portions are in proper condition to receive subsequent Work.

§ 3.3.4 Contractor shall be responsible to Owner for acts and omissions of Contractor's employees, Subcontractors, and their agents and employees, and other persons performing portions of the Work under the Contract Documents or other arrangements with Contractor.

§ 3.3.5 Contractor shall give notices and comply with applicable laws, ordinances, rules, regulations, and lawful orders of public authorities bearing on the Work, including those with respect to the safety of persons and property and their protection from damages, injury, or loss. Contractor shall promptly remedy damage and loss to property at the site caused in whole or in part by Contractor, its Subcontractor, or anyone directly or indirectly employed by any of them or by anyone for whose acts they may be liable, except for damage or loss attributable solely to acts or omissions of Owner or Architect or by anyone for whose acts either of them may be liable and not attributable to the fault or negligence of Contractor, its Subcontractor, or anyone directly or indirectly employed by them. The foregoing obligations of Contractor are in addition to Contractor's obligations under other provisions hereunder.

§ 3.3.6 Contractor shall be responsible for inspection of portion of Work already performed under the Contract for Construction to determine that such portions are in proper condition to receive subsequent Work.

§ 3.3.7 Contractor has the responsibility to ensure that all material suppliers and Subcontractors, their agents, and employees adhere to the Contract Documents, and that they order materials on time, taking into account the current market and delivery conditions, and that they provide materials on time. Contractor shall coordinate its Work with that of all others on the Project, including of construction utilities.

§ 3.3.8 Contractor shall establish and maintain bench marks and all other grades, lines, and levels necessary for the Work; report errors or inconsistencies to Owner and Architect before commencing Work; and, if applicable, review the placement of the buildings and permanent facilities on the site with Owner and Architect after all lines are staked out and before foundation Work is started. Contractor shall provide access to the Work for Owner, Architect, other persons designated by Owner, and governmental inspectors. Any encroachments made by Contractor or its Subcontractors on adjacent properties caused by construction as revealed by an improvements survey, except for encroachments arising from errors or omissions not reasonably discoverable by Contractor in the Contract Documents, shall be the sole responsibility of Contractor, and Contractor shall correct such encroachments within thirty (30) days of the improvement survey (or as soon thereafter as reasonably possible), at Contractor's sole cost and expense, either by the removal of the encroachment (and subsequent reconstruction on the Project site) or agreement with the adjacent property owner (s) (in form and substance satisfactory to Owner in its sole discretion) allowing the encroachments to remain.

§ 3.3.9 Contractor shall verify at the Work site the measurements indicated on the Drawings and Specifications and shall establish correctly the lines, levels, and positions for the Work and be responsible for their accuracy and proper

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. **All rights reserved.** **WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

correlation with control lines, monuments, and data, as established by surveys furnished by Owner. Work shall be erected square, plumb, level, true to line and grade, in the exact plane and to the correct elevation and/or sloped to drain as indicated. To ensure the proper execution of its subsequent Work, Contractor shall measure all Work already in place (including but not limited to utilities and grades installed or prepared by others) and shall at once report to Architect and Owner any discrepancy between said Work and the Drawings and Specifications for the Work.

§ 3.3.10 Any discrepancy or omission in the dimensions or elections shown on the Drawings and Specifications or found in previous Work which may prevent accurate layout or construction of the Work, shall immediately be reported by Contractor to Owner and Architect. If Contractor performs, permits, or causes performance of any Work when Contractor knows or reasonably should have known that such discrepancy or omission exists, without first obtaining further instruction from Architect or Owner, Contractor shall bear any and all costs arising therefrom including, without limitation, the costs of correction thereof without increase or adjustment in the Contract Sum. Omissions from the Drawings or Specifications, or the misdescription of details of Work which are reasonably inferable in order to carry out the intent of the Drawings and Specifications, or which are customarily performed, shall not relieve contractor from performing such omitted or mis-described details of the Work, and they shall be performed as if fully and correctly set forth and described in the Drawings and Specifications, at no additional cost to Owner.

§ 3.3.11 Contractor shall engage workers who are skilled in performing the Work, and all Work shall be performed with care and skill and in a good workmanlike manner under the full-time supervision of an approved engineer or foreman. Contractor shall be liable for all property damage, including repairs and replacements of the Work and economic losses, which proximately result from the breach of this duty. Contractor shall advise Architect:

1. if a specified product deviates from good construction practices;
2. if following the Specifications will affect any warranties; or
3. any objections which Contractor may have the Specifications.

Nothing contained in Subparagraph 1.1.3 shall alter the responsibilities established in this Subparagraph.

§ 3.4 LABOR AND MATERIALS

§ 3.4.1 Unless otherwise provided in the Contract Documents, the Contractor shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation, and other facilities and services necessary for proper execution and completion of the Work, whether temporary or permanent and whether or not incorporated or to be incorporated in the Work.

§ 3.4.2 Except in the case of minor changes in the Work authorized by the Architect in accordance with Sections 3.12.8 or 7.4, the Contractor may make substitutions only with the consent of the Owner, after evaluation by the Architect and in accordance with a Change Order or Construction Change Directive. By making requests for substitutions based on Subparagraph 3.4.2, Contractor:

1. represents that Contractor has personally investigated the proposed substitute product and determined that it is equal or superior in all respects to that specified;
.2 represents that Contractor will provide the same warranty for the substitution that Contractor would for that specified;
.3 certifies that the cost data presented is complete and includes all related costs under this Contract except Architect's redesign costs, and waives all claims for additional costs related to the substitution which subsequently become apparent; and
.4 will coordinate the installation for the accepted substitute, making such changes as may be required for the Work to be complete in all respects.

§ 3.4.3 The Contractor shall enforce strict discipline and good order among the Contractor's employees and other persons carrying out the Work. The Contractor shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them. Contractor shall also be responsible for labor peace on the Project and shall at all times make its best efforts and judgments as an experienced Contractor to adopt and implement policies and practices designed to avoid Work stoppages, slowdowns, disputes, or strikes where reasonably possible and practical under the circumstances and shall at all times maintain Project-wide labor harmony. Except as specifically provided in Subparagraph 8.3 hereof, Contractor shall be liable to Owner for all damages suffered by Owner.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

§ 3.4.4 Materials shall conform to manufacturer's standards in effect at the date of execution of the Agreement and shall be installed in strict accordance with manufacturer's directions. Contractor shall, if required by Owner or Architect, furnish satisfactory evidence as to the kind and quality of any materials. All packaged materials shall be shipped to the site in the original containers clearly labeled, and delivery slips shall be submitted with bulk materials identifying thereon the source, and warranting quality and compliance with Contract Documents.

§ 3.4.5 When the Contract Documents require the Work, or any part of same, to be above the standards required by applicable laws, ordinances, rules and regulations, and other statutory provisions pertaining to the Work, such Work shall be performed and completed by Contractor in accordance with the Contract Documents.

§ 3.4.6 When the manufacturer's name, patent numbers, underwriter's labels, model numbers or similar identifying marks are required, such markings shall be located as inconspicuously as possible.

§ 3.5 WARRANTY

§ 3.5.1

The Contractor warrants to the Owner and Architect that materials and equipment furnished under the Contract will be of the best quality and new unless the Contract Documents require or permit otherwise. The Contractor further warrants that the Work will conform to the requirements of the Contract Documents and will be free from defects. Work, materials, or equipment not conforming to these requirements may be considered defective. If required by the Architect or Owner, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

§ 3.5.2 ALL WARRANTIES SHALL INCLUDE LABOR AND MATERIALS AND THE MANUFACTURER'S WARRANTY SHALL BE SIGNED BY SUBCONTRACTOR AND COUNTERSIGNED BY CONTRACTOR. ALL WARRANTIES SHALL BE ADDRESSED TO OWNER AND DELIVERED TO ARCHITECT UPON COMPLETION OF THE WORK AND BEFORE OR WITH THE SUBMISSION OF REQUEST FOR FINAL PAYMENT.

§ 3.5.3 Contractor shall issue in writing to Owner as a condition precedent to final payment a "general warranty" reflecting the terms and conditions of this Paragraph 3.5 for all Work under the Contract.

§ 3.5.4 The warranties provided in Paragraph 3.5 shall be in addition to and not in limitation of any other warranty or remedy required by law or by the Contract Documents, and such warranty or remedy required by law or by the Contract Documents, and such warranty shall be interpreted to require Contractor to replace defective materials and equipment and re-execute defective Work which is disclosed to the Contractor by the Owner within a period of one (1) year after final completion of the entire Work unless a longer time is specifically called for in the specifications. The Contractor shall assign all components, equipment and fixture warranties to the Owner and will deliver all manuals to the Owner at the completion of construction.

§3.5.5 Except when a longer warranty time is specifically called for in the Specification Sections or is otherwise provided by law, the General Warranty shall be for twelve (12) months and shall be in form and content otherwise satisfactory to Owner.

§3.5.6 Warranties shall become effective on a date established by Owner and Architect in accordance with the Contract Documents. This date shall be the Date of Substantial Completion of the entire Work, unless otherwise provided in any Certificate of Partial Substantial Completion approved by the parties.

§3.5.7 If Architect considers it impractical, because of unsuitable test conditions or some other factors, to execute simultaneous final acceptance of all equipment, portions of properly installed and functioning equipment may be certified by Architect for final acceptance, subject to Owner's approval, when that portion of the system is complete and ready for operation as called for under Subparagraph 9.8.1.

§3.5.8 Contractor shall warrant for a period of twelve (12) months that the building(s) shall be watertight and leak proof at every point and in every area, except where leaks can be attributed to damage to the building(s) by external forces beyond Contractor's control. Contractor shall, immediately upon notification by Owner of water penetration, determine the source of water penetration and, at its own expense, do any Work necessary to make the building(s)

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

watertight. Contractor shall also, at its own expense, repair or replace any other damaged material, finishes, and furnishings, damaged as a result of this water penetration, to return the building(s) to its (their) original condition.

§3.5.9 In addition to the foregoing stipulations, Contractor shall comply with all other warranties referred to in any portions of the Contract Documents or otherwise provided by law or in equity, and where warranties overlap, the more stringent requirement shall govern.

§3.5.10 If for any reason Contractor cannot warrant any part of the Work using material or construction methods that have been specified, or shown, it shall notify Owner and Architect in writing before the Contract is signed, giving reasons, together with the name of product and data on a substitution it can warrant.

§ 3.6 TAXES

The Contractor shall pay sales, consumer, use and similar taxes for the Work provided by the Contractor that are legally enacted when bids are received or negotiations concluded, whether or not yet effective or merely scheduled to go into effect.

§ 3.7 PERMITS, FEES, NOTICES, AND COMPLIANCE WITH LAWS

§ 3.7.1 Unless otherwise provided in the Contract Documents, the Contractor shall make application, secure and pay for the building permit as well as for other permits, fees, licenses, and inspections by government agencies necessary for proper execution and completion of the Work that are customarily secured after execution of the Contract including, without limitation, street openings, sidewalk, and other obstructions, access over public ways and storage necessary for proper execution of the Contract and which are, legally required at the time bids are received or negotiations concluded.

§3.7.1.1 The Contractor shall also obtain all permits and approvals, and pay all fees and expenses, if any, associated with National Pollutant Discharge Elimination System (NPDES) regulations administered by the Environmental Protection Agency and state and local authorities, that require completion of documentation and/or acquisition of all permits for the Project. Contractor's obligations under this paragraph do not require it to perform engineering services during the pre-construction phase to prepare proper drainage for the construction sites. However, any drainage alterations made by Contractor during construction phase which modifies the original site drainage plan and requires the issuance of a permit shall be at Contractor's sole cost.

a. The Owner shall pay directly to the governing authority the cost of all permanent property utility assessments and similar utility connection charges.

b. The Contractor shall be responsible for obtaining and paying for all City and County Building Permits, Inspection Fees and Plan Checking Fees; temporary utility charges, tap charges and water meter charges and any other similar fees assessed by jurisdictional authorities having control over the Project.

c. The Owner shall pay fees payable to the Texas Department of Licensing and Regulations (TDLR) for document review relative to the Elimination of Architectural Barriers Act and the Architect will submit the documents to the TDLR for review and approval.

§ 3.7.2 The Contractor shall comply with and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders and all other requirements of public authorities applicable to performance of the Work.

§ 3.7.3 If the Contractor performs Work (including, without limitation, the installation of any materials or equipment) that it knows or reasonably should have known would be contrary to applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, the Contractor shall assume appropriate responsibility for such Work and shall bear the costs attributable to correction.

§ 3.7.4 Concealed or Unknown Conditions. If the Contractor encounters conditions at the site that are (1) subsurface or otherwise concealed physical conditions that differ materially from those indicated in the Contract Documents or (2) unknown physical conditions of an unusual nature, that differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents, the Contractor shall promptly provide notice to the Owner and the Architect before conditions are disturbed and in no

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

event later than 21 days after first observance of the conditions. The Architect will promptly investigate such conditions and, if the Architect determines that they differ materially and cause an increase or decrease in the Contractor's cost of, or time required for, performance of any part of the Work, will recommend to the Owner in writing, an equitable adjustment in the Contract Sum or Contract Time, or both. If the Architect determines that the conditions at the site are not materially different from those indicated in the Contract Documents and that no change in the terms of the Contract is justified, the Architect shall promptly notify the Owner and Contractor in writing, stating the reasons. If either party disputes the Architect's determination or recommendation, that party may proceed as provided in Article 15. No adjustment in the Contract Time or Contract Sum shall be permitted in connection with a concealed or unknown condition that does not differ materially from those conditions disclosed or based on data provided to Contractor and by the Contractor's prior inspections, tests, reviews, and pre-construction services for the Project; or by the Contractors inspections, tests, reviews and pre-construction services that Contractor had the opportunity and obligation to make in connection with the Project but did not do so.

§ 3.7.5 If, in the course of the Work, the Contractor encounters human remains or recognizes the existence of burial markers, archaeological sites or wetlands not indicated in the Contract Documents, the Contractor shall immediately suspend any operations that would affect them and shall notify the Owner and Architect in writing. Upon receipt of such notice, the Owner shall promptly take any action necessary to obtain governmental authorization required to resume the operations. The Contractor shall continue to suspend such operations until otherwise instructed by the Owner but shall continue with all other operations that do not affect those remains or features. Requests for adjustments in the Contract Sum and Contract Time arising from the existence of such remains or features may be made as provided in Article 15.

§ 3.8 ALLOWANCES

§ 3.8.1 The Contractor shall include in the Contract Sum all allowances stated in the Contract Documents. Items covered by allowances shall be supplied for such amounts and by such persons or entities as the Owner may direct, but the Contractor shall not be required to employ persons or entities to whom the Contractor has reasonable objection.

§ 3.8.2 Unless otherwise provided in the Contract Documents,

.1 allowances shall cover the cost to the Contractor of materials and equipment delivered at the site and all required taxes, less applicable trade discounts;

.2 Contractor's costs for unloading and handling at the site, labor, installation costs, overhead, profit and other expenses contemplated for stated allowance amounts shall be included in the Contract Sum but not in the allowances; and

.3 whenever costs are more than or less than allowances, the Contract Sum shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances under Section 3.8.2.1 and (2) changes in Contractor's costs under Section 3.8.2.2.

§ 3.8.3 Materials and equipment under an allowance shall be selected by the Owner with reasonable promptness. If a decision is needed to avoid a delay, Contractor shall notify Architect, Construction manager and Owner in writing sufficiently in advance of needed date to allow reasonable time for selections to be made.

§ 3.9 SUPERINTENDENT

§ 3.9.1 The Contractor shall employ a competent superintendent and necessary assistants who shall be in attendance at the Project site during performance of the Work. The superintendent shall represent the Contractor, and communications given to the superintendent shall be as binding as if given to the Contractor.

§ 3.9.2 The Contractor, as soon as practicable after award of the Contract, shall furnish in writing to the Owner through the Architect the name and qualifications of a proposed superintendent. The Superintendent shall be satisfactory to the Owner and shall not be changed except with the consent of the Architect, unless the Superintendent leaves the employment of the Contractor. No increase in Contract Time or Contract Sum shall be allowed in the event the Owner or Architects object to any nominated superintendent. Such approval by the Owner shall not be unreasonably withheld.

§ 3.9.3 DELETED.

§ 3.10 CONTRACTOR'S CONSTRUCTION SCHEDULES

§ 3.10.1 The Contractor, promptly after being awarded the Contract, shall prepare and submit for the Owner's and Architect's review and approval a Contractor's construction schedule for the Work. The schedule shall not exceed

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

time limits current under the Contract Documents, shall be revised as required herein and at appropriate intervals as required by the conditions of the Work and Project, shall be related to the entire Project to the extent required by the Contract Documents, and shall provide for expeditious and practicable execution of the Work. The schedule shall indicate the proposed starting and completion dates for the various subdivisions of the Work as well as the totality of the Work. The schedule shall be updated every thirty (30) days and submitted to Architect with Contractor's Applications for Payment. Each schedule shall contain a comparison of actual progress with the estimated progress for such point in time stated in the original schedule. If any schedule submitted sets such a date for Substantial Completion for the Work or any phase of the Work beyond the date(s) of Substantial Completion established in the Contract (as the same may be extended as provided in the Contract Documents), then Contractor shall submit to Architect and Owner for their review and approval a narrative description of the means and methods that Contractor intends to employ to expedite the progress of the Work to ensure timely completion of the various phases of the Work as well as the totality of the Work. To ensure such timely completion, Contractor shall take all necessary action including, without limitation, increasing the number of personnel and labor on the Project and implementing overtime and double shifts. In that event, Contractor shall not be entitled to an adjustment in the Contract Sum or the schedule.

§ 3.10.2 The Contractor shall prepare a submittal schedule, promptly after being awarded the Contract and thereafter as necessary to maintain a current submittal schedule, and shall submit the schedule(s) for the Architect's and Owner's approval. The Architect's and Owner's approval shall not unreasonably be delayed or withheld. The submittal schedule shall (1) be coordinated with the Contractor's construction schedule, and (2) allow the Architect reasonable time to review submittals. If the Contractor fails to submit a submittal schedule, the Contractor shall not be entitled to any increase in Contract Sum or extension of Contract Time based on the time required for review of submittals.

§ 3.10.3 The Contractor shall perform the Work in general accordance with the most recent schedules submitted to the Owner and Architect.

§ 3.10.4 The process of approving Contractor's schedules and updates to Contractor's schedule shall not constitute a warranty by the Owner that any non-Contractor milestones or activities will occur as set out on Contractor's schedule. Approval of a Contractor's schedule does not constitute a commitment by the Owner to furnish any Owner-furnished information or material any earlier than Owner would otherwise be obligated to furnish that information or material under the Contract Documents. Failure of the Work to proceed in the sequence scheduled by Contractor shall not alone serve as the basis for a Claim for additional compensation or time. In the event there is interference with the Work, which is beyond its control, Contractor shall attempt to reschedule the Work in a manner that will hold resulting additional time and cost to a minimum. The construction schedule shall be in a detailed format satisfactory to the Owner and the Architect and shall also:

.1 Provide a graphic representation of all activities and events that will occur during performance of the Work;
.2 identify each phase of construction and occupancy; and
.3 set forth dates that are critical in ensuing the timely and orderly completion of the Work in accordance with the requirements of the Contract Documents hereinafter referred to as Milestone Dates.

§ 3.10.5 The Owner shall have the right to reschedule the time of day for the performance of any part of the Work that may interfere with the operation of the Owner's premises or any tenants or invitees thereof. The Contractor shall, upon the Owner's request, reschedule any portion of the Work affecting operation of the premises during hours when the premises are not in operation. Any rescheduling of performance of the Work under this Subparagraph 3.10.5 may be grounds for an extension of the Contract Time, if permitted under Subparagraph 8.3.1 and an equitable adjustments in the Contract Sum, if: (1) the performance of the Work was properly scheduled by the Contractor in compliance with the requirements of the Contract Documents, (2) such rescheduling is required for the convenience of the Owner and is not attributable to any act of omission of Contractor, and (3) if Owner agrees to the Contract Sum adjustment prior to any rescheduling.

§ 3.11 DOCUMENTS AND SAMPLES AT THE SITE

The Contractor shall maintain at the site for the Owner one copy of the Drawings, Specifications, Addenda, Change Orders and other Modifications, in good order and marked currently to indicate field changes and selections (all changes and selections to be approved by Owner and Architect in advance) made during construction, and one copy of approved Shop Drawings, Product Data, Samples and similar required submittals. These shall be available to the

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

Architect and shall be delivered to the Architect for submittal to the Owner upon completion of the Work as a record of the Work as constructed.

§ 3.11.1 At the Date of Substantial Completion and as a condition precedent to final payment, Contractor shall furnish the following documents to Architect for submittal to Owner: Record Drawings showing the field changes and selections (all changes and selections to be approved by Owner and Architect in advance) affecting the general construction, mechanical, electrical, plumbing, and all other Work, and indicating the Work as actually installed. These shall consist of carefully drawn markings on a set of reproducible prints of Architect's Drawings obtained and paid for by Contractor. Contractor shall maintain at the job site one (1) set of Architect's Drawings and indicate thereon each field change as it occurs. The Contractor shall post all Addenda on Construction Documents prior to commencing work on the site.

§ 3.12 SHOP DRAWINGS, PRODUCT DATA AND SAMPLES

§ 3.12.1 Shop Drawings are drawings, diagrams, schedules and other data specially prepared for the Work by the Contractor or a Subcontractor, Sub-subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Work.

§ 3.12.2 Product Data are illustrations, standard schedules, performance charts, instructions, brochures, diagrams and other information furnished by the Contractor to illustrate materials or equipment for some portion of the Work.

§ 3.12.3 Samples are physical examples that illustrate materials, equipment or workmanship and establish standards by which the Work will be judged.

§ 3.12.4 Shop Drawings, Product Data, Samples and similar submittals are not Contract Documents. Their purpose is to demonstrate the way by which the Contractor proposes to conform to the information given and the design concept expressed in the Contract Documents for those portions of the Work for which the Contract Documents require submittals. Review by the Architect is subject to the limitations of Section 4.2.7. Informational submittals upon which the Architect is not expected to take responsive action may be so identified in the Contract Documents. Submittals that are not required by the Contract Documents may be returned by the Architect without action.

§ 3.12.5 The Contractor shall review for compliance with the Contract Documents, approve and submit to the Architect Shop Drawings, Product Data, Samples and similar submittals required by the Contract Documents in accordance with the submittal schedule approved by the Architect or, in the absence of an approved submittal schedule, with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the Owner or of separate contractors. If, in the opinion of the Architect, the Shop Drawings, Product Data, Samples and similar submittals are incomplete, indicate an inadequate understanding of the work covered by the submittals, or indicate a lack of study and review by the Contractor prior to submittal to the Architect, the submittals will be returned, unchecked, to the Contractor for correction of these three deficiencies and subsequent re-submittal. Additional service charges as outlined in 3.2.7 may be charged by the Architect in this event.

§ 3.12.6 By submitting Shop Drawings, Product Data, Samples and similar submittals, the Contractor represents to the Owner and Architect that the Contractor has (1) reviewed and approved them, (2) determined and verified materials, field measurements and field construction criteria related thereto, or will do so and (3) checked and coordinated the information contained within such submittals with the requirements of the Work and of the Contract Documents.

§ 3.12.7 The Contractor shall perform no portion of the Work for which the Contract Documents require submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been approved by the Architect.

§ 3.12.8 The Work shall be in accordance with approved submittals except that the Contractor shall not be relieved of responsibility for deviations from requirements of the Contract Documents by the Architect's approval of Shop Drawings, Product Data, Samples or similar submittals unless the Contractor has specifically informed the Architect in writing of such deviation at the time of submittal and (1) the Architect has given written approval to the specific deviation as a minor change in the Work, or (2) a Change Order or Construction Change Directive has been issued authorizing the deviation. The Contractor shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples or similar submittals by the Architect's approval thereof.

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. **All rights reserved.** WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

§ 3.12.9 The Contractor shall direct specific attention, in writing or on resubmitted Shop Drawings, Product Data, Samples or similar submittals, to revisions other than those requested by the Architect on previous submittals. In the absence of such written notice, the Architect's approval of a resubmission shall not apply to such revisions.

§ 3.12.10 The Contractor shall not be required to provide professional services that constitute the practice of architecture or engineering unless such services are specifically required by the Contract Documents for a portion of the Work or unless the Contractor needs to provide such services in order to carry out the Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. The Contractor shall not be required to provide professional services in violation of applicable law. If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of the Contractor by the Contract Documents, the Owner and the Architect will specify all performance and design criteria that such services must satisfy. The Contractor shall cause such services or certifications to be provided by a properly licensed design professional and who shall comply with requirements of Owner regarding qualifications and insurance and, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, Shop Drawings and other submittals prepared by such professional. Shop Drawings and other submittals related to the Work designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to the Architect. The Owner and the Architect shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications and approvals performed or provided by such design professionals, provided the Owner and Architect have specified to the Contractor all performance and design criteria that such services must satisfy. Pursuant to this Section 3.12.10, the Architect will review, approve or take other appropriate action on submittals only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Contractor shall not be responsible for the adequacy of the performance and design criteria specified in the Contract Documents.

§ 3.12.11 The Contractor shall submit Shop Drawings, Product Data, Samples and similar submittals required by the Contract Documents to the Architect at least 30 days prior to the date the Contractor needs the reviewed submittals returned. Where colors are to be selected by the Architect, the Contractor shall submit all Samples in adequate time to allow the Architect to prepare a complete selection schedule. In general, all submittals requiring color selection shall be submitted to the Architect within four weeks of the date of the Contract for construction.

§3.12.12 The Contractor shall submit the number of copies of Shop Drawings, Product Data, Samples and similar submittals which the Contractor and his Subcontractors need for their use plus two additional sets for the Architect and one additional set for each of the Architect's consultants involved with the particular section of work. Where shop drawings are involved, the Contractor shall submit one high quality reproducible transparency and one opaque print of the shop drawing for the Architect plus one additional opaque print for each of the Architect's consultants involved with the particular section of work. The reproducible transparency will be marked by the Architect and/or his consultants and returned to the Contractor for his use, distribution, correction or re-submittal as required. The Architect and his consultants will retain the marked up prints. After final review and correction of the submittal, the Contractor shall send two corrected sets to the Architect, and one to each of the Architect's consultants involved with the particular section of work.

§ 3.13 USE OF SITE

The Contractor shall confine operations at the site to areas permitted by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities and the Contract Documents and shall not unreasonably encumber the site with materials or equipment.

§3.13.1 Only materials and equipment which are to be used directly in the Work shall be brought to and stored on the Project site by the Contractor. After equipment is no longer required for the Work, it shall be promptly removed from the Project site. Protection of construction materials and equipment stored at the Project site from weather, theft, damage and all other adversity is solely the responsibility of the Contractor.

§3.13.2 The Contractor and any entity for whom the Contractor is responsible shall not erect any sign on the Project site without written consent of the Owner.

§3.13.3 Contractor shall ensure that the Work, at all times, is performed in a manner that affords reasonable access, both vehicular and pedestrian, to the site of the Work and all adjacent areas. The Work shall be performed to the fullest extent reasonably possible, in such a manner that public areas adjacent to the site of the Work shall be free from

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. **All rights reserved.** **WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

all debris, building materials and equipment likely to cause hazardous conditions. Without limitation of any other provision on the Contract Documents, Contractor shall use its best efforts to minimize any interference with the occupancy or beneficial use of: (1) any area and buildings adjacent to the site or the Work or (2) the Building in the event of partial occupancy.

§3.13.4 Without prior approval of the Owner, the Contractor shall not permit any workers to use any existing facilities at the Project site, including without limitation, lavatories, toilets, entrance and parking areas other than those designated by Owner. Without limitation of any other provisions of the Contract Documents, the Contractor shall use its best efforts to comply with all rules and regulations promulgated by the Owner in connection with the use and occupancy of the Project site and the Building, as amended from time to time.

§ 3.14 CUTTING AND PATCHING

§ 3.14.1 The Contractor shall be responsible for cutting, fitting or patching required to complete the Work or to make its parts fit together properly. All areas requiring cutting, fitting and patching shall be restored to the condition existing prior to the cutting, fitting and patching, unless otherwise required by the Contract Documents.

§ 3.14.2 The Contractor shall not damage or endanger a portion of the Work or fully or partially completed construction of the Owner or separate contractors by cutting, patching or otherwise altering such construction, or by excavation. The Contractor shall not cut or otherwise alter such construction by the Owner or a separate contractor except with written consent of the Owner and of such separate contractor; such consent shall not be unreasonably withheld. The Contractor shall not unreasonably withhold from the Owner or a separate contractor the Contractor's consent to cutting or otherwise altering the Work.

§ 3.15 CLEANING UP

§ 3.15.1 The Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Contract. At completion of the Work, the Contractor shall remove waste materials, rubbish, the Contractor's tools, construction equipment, machinery and surplus materials from and about the Project.

§ 3.15.2 If the Contractor fails to clean up as provided in the Contract Documents, the Owner may do so and Owner shall be entitled to reimbursement from the Contractor.

§ 3.15.3 Prior to the Architect's inspection for Submittal Completion the Contractor shall clean exterior and interior surfaces exposed to view; remove temporary labels, stains, and foreign substances; polish transparent and glossy surfaces; clean equipment and fixtures to a sanitary condition; replace air filters in mechanical equipment; clean roof, gutters and downspouts; remove obstructions and flush debris from drainage systems; clean site; sweep paved areas and rake clean other surfaces; remove trash and surplus materials from the site.

§ 3.16 ACCESS TO WORK

The Contractor shall provide the Owner and Architect access to the Work in preparation and progress wherever located.

§ 3.17 ROYALTIES, PATENTS AND COPYRIGHTS

The Contractor shall pay all royalties and license fees. The Contractor shall defend suits or claims for infringement of copyrights and patent rights and shall hold the Owner and Architect harmless from loss on account thereof, but shall not be responsible for such defense or loss when a particular design, process or product of a particular manufacturer or manufacturers is required by the Contract Documents, or where the copyright violations are contained in Drawings, Specifications or other documents prepared by the Owner or Architect. However, if the Contractor has reason to believe that the required design, process or product is an infringement of a copyright or a patent, the Contractor shall be responsible for such loss unless such information is promptly furnished to the Architect.

§ 3.18 INDEMNIFICATION

§ 3.18.1 To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless Owner, the Commissioners Court of Owner, all elected officials, employees and agents of Owner of any of the above mentioned parties (the "INDEMNIFIED PARTIES") from and against any and all loss, cost, expense, damage, injury, liability, claim, demand, penalty, or cause of action (including attorneys' fees), directly or indirectly arising out of, resulting

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

from, or related to (in whole or in part), (1) the Work performed hereunder, (2) the Contract, or (3) the act or omission of Contractor, a Subcontractor, or an individual, partnership, joint venture, or corporation (a) directly or indirectly employed by Contractor or a Subcontractor, or (b) for whose acts or omissions Contractor or a Subcontractor may be liable (excluding property damage to the Work itself, covered by Owner's all-risk builder's risk insurance, subject to Contractor's liability for any deductible amounts thereunder). The obligations of Contractor under this indemnification shall apply to all matters except those arising solely from the wanton and willful negligence or the malicious acts or omissions of Owner. Further, the obligations of Contractor under this indemnification shall not extend to the liability of Architect, its agents, or employees, arising out of (1) the preparation or approval of maps, drawings, opinions, reports, surveys, Change Orders, designs, or Specifications, (2) the giving of or failure to give directions or instructions by Architect, its agents, or employees, provided such giving or failure to give is the primary cause of the injury or damage, or (3) any matter prohibited by Section 130.002, Texas Civil Practice and Remedies Code. Contractor shall promptly advise Owner in writing of any action, administrative or legal proceeding , or investigation as to which this indemnification may apply, and Contractor, at Contractor's expense, shall assume on behalf of Owner and conduct with due diligence and in good faith the defense thereof with counsel satisfactory to Owner; provided, Owner shall have the right to be represented therein by advisory counsel of its own selection and at its own expense; and provided further, that if the defendants in any such action include both Contractor and Owner and Owner shall have reasonably concluded that they may be legal defenses available to it that are different from, or additional to, or inconsistent with, those available to it that are different from, or additional to, or inconsistent with, those available to Contractor. Owner shall have the right to select separate counsel to participate in the defense of such action on its own behalf at Contractor's expense. In the event of failure by Contractor to fully perform in accordance with this indemnification paragraph. Owner, at its option, and without relieving Contractor of its obligations hereunder, may so perform, but all costs and expenses so incurred by Owner in that event shall be reimbursed by Contractor to Owner, together with interest on the same from the date any such expense was paid by Owner until reimbursed by Contractor, at the rate of interest provided to be paid on judgments, by the law of the jurisdiction to which the interpretation of the Contract is subject. The obligations of Contractor under this Section shall survive the expiration of the Contract and specifically shall survive the limitations contained in Subparagraph 15.1 hereof.

§ 3.18.2 In claims against any person or entity indemnified under this Section 3.18 by an employee of the Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under Section 3.18.1 shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Contractor or a Subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

§ 3.19 SUBSTITUTIONS OF PRODUCTS AND SYSTEMS, "OR EQUAL" BRANDS

§ 3.19.1 The materials, products and the systems covered by these specifications have been selected as a standard because of quality, particular suitability, or record of satisfactory performance. It is not intended to preclude the use of equivalent or better materials, products or systems provided that it meet the requirements of the particular project and have been approved in an addendum as a substitution prior to the submission of bids. If prior written approval in an addendum has not been obtained, it will be assumed that the Bid is based upon the materials, products, and systems described in the Bidding Documents and no substitutions will be permitted, except as provided hereinafter.

§3.19.2 If, after award of contract, the Contractor or one of his Subcontractors or Suppliers determines that any of the products or systems specified will perform in a manner that will limit the Contractor's ability to satisfactorily perform the work or to honor the Warranty, the Contractor shall promptly notify the Architect, in writing, providing detailed substantiation for his position. Any changes deemed necessary by the Owner and Architect, including substitution of materials and change in Contract Sum, either upward or downward, if any, shall be accompanied by appropriate modification.

§3.20 RECORD DRAWINGS

§3.20.1 At the completion of the project, the Contractor shall submit one complete set of blue lines showing all changes and routing of utilities made during construction, excluding Architect made CAD changes, to the Architect. Drafting shall be legible to the Architect's satisfaction. The Contractor shall pay for the cost of the required recording/drafting. The record set shall be kept up to date on a daily basis and the Architect shall review its status at the project meetings. The Architect shall furnish the Contractor with a blueline set at contract award which shall have all Addenda incorporated. The Owner will pay for the printing of the blueline set. The Architect will incorporate any record information into the construction (CAD) documents and provide the Owner with an electronic copy of the record information on the Construction documents that have all bid and construction changes incorporated. The cost for

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

incorporating the record information into the CD will be paid for by the Owner. The Architect will transmit the electronic CD to the Owner with a copy of the transmittal to the Contractor's construction manager.

ARTICLE 4 ARCHITECT

§ 4.1 GENERAL

§ 4.1.1 The Owner shall retain an architect lawfully licensed to practice architecture or an entity lawfully practicing architecture in the jurisdiction where the Project is located. That person or entity is identified as the Architect in the Agreement and is referred to throughout the Contract Documents as if singular in number.

§ 4.1.2 Duties, responsibilities and limitations of authority of the Architect as set forth in the Contract Documents shall not be restricted, modified or extended without written consent of the Owner, Contractor and Architect. Consent shall not be unreasonably withheld.

§ 4.1.3 If the employment of the Architect is terminated, the Owner shall employ a successor architect whose status under the Contract Documents shall be that of the former Architect.

§ 4.2 ADMINISTRATION OF THE CONTRACT

§ 4.2.1 The Architect will provide administration of the Contract as described in the Contract Documents and will be an Owner's representative, along with a representative designated by the Owner, during construction until the date the Architect issues the final Certificate For Payment. The Architect will have authority to act on behalf of the Owner only to the extent provided in the Contract Documents.

§ 4.2.2 The Architect as a representative of the Owner, will visit the site at intervals appropriate to the stage of construction, or as otherwise agreed with the Owner, to become generally familiar with the progress and quality of the portion of the Work completed, and to determine in general if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. The Architect will be required to make on-site inspections as necessary to kept the Owner informed of the progress of the Work and as necessary to guard the Owner against defects and deficiencies in the Work. However, the Architect will not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. The Architect will not have control over, charge of, or responsibility for, the construction means, methods, techniques, sequences or procedures, or for the safety precautions and programs in connection with the Work, since these are solely the Contractor's rights and responsibilities under the Contract Documents, except as provided in Section 3.3.1.

§ 4.2.3 On the basis of the site visits, the Architect will keep the Owner reasonably informed about the progress and quality of the portion of the Work completed, and report to the Owner (1) known deviations from the Contract Documents and from the most recent construction schedule submitted by the Contractor, and (2) defects and deficiencies observed in the Work. Architect shall not have control over or charge of and shall not be responsible for safety precautions and programs in connection with the Work. Architect shall be responsible for promptly notifying Contractor of the failure of Contractor, Subcontractors or any other persons performing any of the Work, in failing to use proper construction means, methods, techniques, sequences, procedures, safety precautions and programs, but only to the extent Architect becomes aware of, or should, exercising due professional diligence, be aware of, same. Architect shall also promptly notify Owner in writing of the failure of any of the foregoing parties to carry out the Work in accordance with the Contract Documents.

§ 4.2.4 COMMUNICATIONS FACILITATING CONTRACT ADMINISTRATION

Except as otherwise provided in the Contract Documents or when direct communications have been specially authorized, the Owner and Contractor shall endeavor to communicate with each other through the Architect about matters arising out of or relating to the Contract. Communications by and with the Architect's consultants shall be through the Architect. Communications by and with Subcontractors and material suppliers shall be through the Contractor. Communications by and with separate contractors shall be through the Owner.

§ 4.2.5 Based on the Architect's and Construction Manager's evaluations of the Contractor's Applications for Payment, the Architect and Construction Manager will review and certify the amounts due the Contractor and will issue Certificates for Payment in such amounts.

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

§ 4.2.6 The Architect has authority and the responsibility to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect will have authority to require inspection or testing of the Work in accordance with Sections 13.5.2 and 13.5.3, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, material and equipment suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 4.2.7 The Architect will review and approve or reject, or take other appropriate action upon, the Contractor's submittals such as Shop Drawings, Product Data and Samples, for conformance with information given and the design concept expressed in the Contract Documents. The Architect's action will be taken in accordance with the submittal schedule approved by the Architect or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time in the Architect's professional judgment to permit adequate review. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities, or for substantiating instructions for installation or performance of equipment or systems, all of which remain the responsibility of the Contractor as required by the Contract Documents. The Architect's review of the Contractor's submittals shall not relieve the Contractor of the obligations under Sections 3.3, 3.5 and 3.12. The Architect's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Architect, of any construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 4.2.8 The Architect will prepare Change Orders and Construction Change Directives, and may authorize minor changes in the Work as provided in Section 7.4. The Architect will investigate and make determinations and recommendations regarding concealed and unknown conditions as provided in Section 3.7.4.

§ 4.2.9 The Architect will conduct inspections to determine the date or dates of Substantial Completion and the date of final completion; issue Certificates of Substantial Completion pursuant to Section 9.8; receive and forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Contract and assembled by the Contractor pursuant to Section 9.10; and issue a final Certificate for Payment pursuant to Section 9.10.

§ 4.2.10 If the Owner and Architect agree, the Architect will provide one or more project representatives to assist in carrying out the Architect's responsibilities at the site. The duties, responsibilities and limitations of authority of such project representatives shall be as set forth in an exhibit to be incorporated in the Contract Documents.

§ 4.2.11 The Architect will interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 4.2.12 Interpretations and decisions of the Architect will be consistent with the intent of, and reasonably inferable from, the Contract Documents and will be in writing or in the form of drawings. When making such interpretations and decisions, the Architect will endeavor to secure faithful performance by both Owner and Contractor, and will not be liable for results of interpretations or decisions rendered in good faith.

§ 4.2.13 **DELETED.**

§ 4.2.14 The Architect will review and respond to requests for information about the Contract Documents. The Architect's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness. If appropriate, the Architect will prepare and issue supplemental Drawings and Specifications in response to the requests for information.

ARTICLE 5 SUBCONTRACTORS

§ 5.1 DEFINITIONS

§ 5.1.1 A Subcontractor is a person or entity who has a direct contract with the Contractor to perform a portion of the Work at the site or to otherwise furnish labor, material, or other services with respect to a portion of the Work. The term "Subcontractor" is referred to throughout the Contract Documents as if singular in number and means a

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include a separate contractor or subcontractors of a separate contractor.

§ 5.1.2 A Sub-subcontractor is a person or entity who has a direct or indirect contract with a Subcontractor to perform a portion of the Work at the site or to otherwise furnish labor, material, or other services with respect to a portion of the Work. The term "Sub-subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Sub-subcontractor or an authorized representative of the Sub-subcontractor.

§ 5.2 AWARD OF SUBCONTRACTS AND OTHER CONTRACTS FOR PORTIONS OF THE WORK

§ 5.2.1 Unless otherwise stated in the Contract Documents or the bidding requirements, the Contractor, as soon as practicable after award of the Contract, but no later than 10 days prior to the submittal date for the Contractor's first Application for Payment, shall furnish in writing to the Owner through the Architect the names of persons or entities (including those who are to furnish materials or equipment fabricated to a special design) proposed for each principal portion of the Work. The Architect may reply within 14 days to the Contractor in writing stating (1) whether the Owner or the Architect has reasonable objection to any such proposed person or entity or (2) that the Architect requires additional time for review. Failure of the Owner or Architect to reply within the 14 day period shall constitute notice of no reasonable objection. Failure of the Contractor to submit the subject names in a timely manner may delay processing of the Contractor's Application for Payment.

§ 5.2.2 The Contractor shall not contract with a proposed person or entity to whom the Owner or Architect has made reasonable and timely objection. The Contractor shall not be required to contract with anyone to whom the Contractor has made reasonable objection.

§ 5.2.3 If the Owner or Architect has reasonable objection to a person or entity proposed by the Contractor, the Contractor shall propose another to whom the Owner or Architect has no reasonable objection.

§ 5.2.4 The Contractor shall not substitute a Subcontractor, person or entity previously selected if the Owner or Architect makes reasonable objection to such substitution.

§ 5.3 SUBCONTRACTUAL RELATIONS

By appropriate written agreement, the Contractor shall require each Subcontractor, to the extent of the Work to be performed by the Subcontractor, to be bound to the Contractor by terms of the Contract Documents, and to assume toward the Contractor all the obligations and responsibilities, including the responsibility for safety of the Subcontractor's Work, which the Contractor, by these Documents, assumes toward the Owner and Architect. Each subcontract agreement shall preserve and protect the rights of the Owner and Architect under the Contract Documents with respect to the Work to be performed by the Subcontractor so that subcontracting thereof will not prejudice such rights, and shall allow to the Subcontractor, unless specifically provided otherwise in the subcontract agreement, the benefit of all rights, remedies and redress against the Contractor that the Contractor, by the Contract Documents, has against the Owner. Where appropriate, the Contractor shall require each Subcontractor to enter into similar agreements with Sub-subcontractors. The Contractor shall make available to each proposed Subcontractor, prior to the execution of the subcontract agreement, copies of the Contract Documents to which the Subcontractor will be bound, and, upon written request of the Subcontractor, identify to the Subcontractor terms and conditions of the proposed subcontract agreement that may be at variance with the Contract Documents. Subcontractors will similarly make copies of applicable portions of such documents available to their respective proposed Sub-subcontractors.

§ 5.3.1 All subcontracts shall be in written form and shall specifically provide that Owner is an intended third-party beneficiary of the subcontract.

§ 5.4 CONTINGENT ASSIGNMENT OF SUBCONTRACTS

§ 5.4.1 Each subcontract agreement for a portion of the Work is assigned by the Contractor to the Owner, provided that

.1 assignment is effective only after termination of the Contract by the Owner for cause pursuant to Section 14.2 and only for those subcontract agreements that the Owner accepts by notifying the Subcontractor and Contractor in writing; and

.2 assignment is subject to the prior rights of the surety, if any, obligated under bond relating to the Contract.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

When the Owner accepts the assignment of a subcontract agreement, the Owner assumes the Contractor's rights and obligations under the subcontract.

§ 5.4.2 Upon such assignment, if the Work has been suspended for more than 30 days, the Subcontractor's compensation shall be equitably adjusted for increases in cost resulting from the suspension.

§ 5.4.3 Upon such assignment to the Owner under this Section 5.4, the Owner may further assign the subcontract to a successor contractor or other entity.

§ 5.5 Contractor shall promptly notify Owner and Architect of any material defaults by any Sub-contractor. Notwithstanding any provision contained in Article 5 to the contrary, it is hereby acknowledged and agreed that Owner has in no way agreed, expressly or implicitly, nor will Owner agree, to allow any Sub-contractor or other materialman or workman employed by Contractor the right to obtain a personal judgment or to create a lien against Owner for the amount due from the Contractor.

ARTICLE 6 CONSTRUCTION BY OWNER OR BY SEPARATE CONTRACTORS

§ 6.1 OWNER'S RIGHT TO PERFORM CONSTRUCTION AND TO AWARD SEPARATE CONTRACTS

§ 6.1.1 The Owner reserves the right to perform construction or operations related to the Project with the Owner's own forces, and to award separate contracts in connection with other portions of the Project or other construction or operations on the site under Conditions of the Contract identical or substantially similar to these including those portions related to insurance and waiver of subrogation. If the Contractor claims that delay or additional cost is involved because of such action by the Owner, the Contractor shall make such Claim as provided in Article 15.

§ 6.1.2 When separate contracts are awarded for different portions of the Project or other construction or operations on the site, the term "Contractor" in the Contract Documents in each case shall mean the Contractor who executes each separate Owner-Contractor Agreement.

§ 6.1.3 The Owner shall provide for coordination of the activities of the Owner's own forces and of each separate contractor with the Work of the Contractor, who shall cooperate with them. The Contractor shall participate with other separate contractors and the Owner in reviewing their construction schedules. The Contractor shall make any revisions to the construction schedule deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by the Contractor, separate contractors and the Owner until subsequently revised.

§ 6.1.4 Unless otherwise provided in the Contract Documents, when the Owner performs construction or operations related to the Project with the Owner's own forces, the Owner shall be deemed to be subject to the same obligations and to have the same rights that apply to the Contractor under the Conditions of the Contract, including, without excluding others, those stated in Article 3, this Article 6 and Articles 10, 11 and 12.

§ 6.2 MUTUAL RESPONSIBILITY

§ 6.2.1 The Contractor shall afford the Owner and separate contractors reasonable opportunity for introduction and storage of their materials and equipment and performance of their activities, and shall connect and coordinate the Contractor's construction and operations with theirs as required by the Contract Documents.

§ 6.2.2 If part of the Contractor's Work depends for proper execution or results upon construction or operations by the Owner or a separate contractor, the Contractor shall, prior to proceeding with that portion of the Work, promptly report to the Architect apparent discrepancies or defects in such other construction that would render it unsuitable for such proper execution and results. Failure of the Contractor so to report shall constitute an acknowledgment that the Owner's or separate contractor's completed or partially completed construction is fit and proper to receive the Contractor's Work, except as to defects not then reasonably discoverable.

§ 6.2.3 DELETED.

§ 6.2.4 The Contractor shall promptly remedy damage the Contractor causes to completed or partially completed construction or to property of the Owner or separate contractors as provided in Section 10.2.5.

§ 6.2.5 The Owner and each separate contractor shall have the same responsibilities for cutting and patching as are described for the Contractor in Section 3.14.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

§ 6.3 OWNER'S RIGHT TO CLEAN UP

If a dispute arises among the Contractor, separate contractors and the Owner as to the responsibility under their respective contracts for maintaining the premises and surrounding area free from waste materials and rubbish, the Owner may clean up and the Architect will allocate the cost among those responsible.

ARTICLE 7 CHANGES IN THE WORK

§ 7.1 GENERAL

§ 7.1.1 Changes in the Work may only be accomplished after execution of the Contract, and without invalidating the Contract, by Change Order, Construction Change Directive or order for a minor change in the Work, subject to the limitations stated in this Article 7 and elsewhere in the Contract Documents and is subject to the approval of Owner.

§ 7.1.2 A Change Order shall be only based upon agreement among the Owner, Contractor and Architect; a Construction Change Directive requires agreement by the Owner and Architect and may or may not be agreed to by the Contractor; an order for a minor change in the Work may be issued by the Architect and is subject to the approval of Owner.

§ 7.1.3 Changes in the Work shall be performed under applicable provisions of the Contract Documents, and the Contractor shall proceed promptly, unless otherwise provided in the Change Order, Construction Change Directive or order for a minor change in the Work. Except as permitted in Paragraph 7.3 and 9.7, a change in the Contract Sum or the Contract Time shall be accomplished only by Change Order. Accordingly, no course of conduct or dealings between the parties, nor express or implied acceptance of alterations or additions to the Work and no claim that Owner has been unjustly enriched by any alteration of or addition to the Work, whether or not there is, in fact, any unjust enrichment to the Work, shall be the basis of any claim to an increase in any amounts due under the Contract Documents or a change in any time period provided for in the Contract Documents.

§ 7.2 CHANGE ORDERS

§ 7.2.1 A Change Order is a written instrument prepared by the Architect and signed by the Owner, Contractor and Architect stating their agreement upon all of the following:

.1 The change in the Work;
.2 The amount of the adjustment, if any, in the Contract Sum; and
.3 The extent of the adjustment, if any, in the Contract Time.

§ 7.2.2 Agreement on any Change Order shall constitute a final settlement of all matters relating to the change in the Work that is the subject of the Change Order, including, but not limited, to all direct and indirect costs associated with such change and any and all adjustments to the Contract Sum and the construction schedule.

§7.2.3 Contractor shall keep and periodically submit to Owner copies of a log for all Change Orders.

§ 7.3 CONSTRUCTION CHANGE DIRECTIVES

§ 7.3.1 A Construction Change Directive is a written order prepared by the Architect and signed by the Owner and Architect, directing a change in the Work prior to agreement on adjustment, if any, in the Contract Sum or Contract Time, or both. The Owner may by Construction Change Directive, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions, the Contract Sum and Contract Time being adjusted accordingly. Contractor shall keep and periodically submit to Owner copies of a log for all Construction Change Directives and a log for all requests for information.

§ 7.3.2 A Construction Change Directive shall be used in the absence of total agreement on the terms of a Change Order.

§ 7.3.3 If the Construction Change Directive provides for an adjustment to the Contract Sum, the adjustment shall be based on one of the following methods:

.1 Mutual acceptance of a lump sum properly itemized and supported by sufficient substantiating data to permit evaluation;
.2 Unit prices stated in the Contract Documents or subsequently agreed upon;
.3 Cost to be determined in a manner agreed upon by the parties and a mutually acceptable fixed or percentage fee; or

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

.4 As provided in Section 7.3.7.

§ 7.3.4 If unit prices are stated in the Contract Documents or subsequently agreed upon, and if quantities originally contemplated are materially changed in a proposed Change Order or Construction Change Directive so that application of such unit prices to quantities of Work proposed will cause substantial inequity to the Owner or Contractor, the applicable unit prices shall be equitably adjusted.

§ 7.3.5 Upon receipt of a Construction Change Directive, the Contractor shall promptly proceed with the change in the Work involved and advise the Architect of the Contractor's agreement or disagreement with the method, if any, provided in the Construction Change Directive for determining the proposed adjustment in the Contract Sum or Contract Time.

§ 7.3.6 A Construction Change Directive signed by the Contractor indicates the Contractor's agreement therewith, including adjustment in Contract Sum and Contract Time or the method for determining them. Such agreement shall be effective immediately and shall be recorded as a Change Order.

§ 7.3.7 If the Contractor does not respond promptly or disagrees with the method for adjustment in the Contract Sum, the Architect shall determine the method and the adjustment on the basis of reasonable expenditures and savings of those performing the Work attributable to the change, including, in case of an increase in the Contract Sum, an amount for overhead and profit not to exceed a total maximum of **fifteen** percent **(15%)** for all Work, and further limited to as follows, not to exceed five percent (5%) for Work done by Contractor's employees and **ten** percent **(10%)** of such Work's actual cost to be apportioned between any and all Subcontractors and Sub-subcontractor. "*Actual cost*" does not include any item that could be deemed to be a general conditions cost or overhead, such as, but not limited to, the cost of Contractor and Subcontractor supervisory personnel assigned to the Work, and field office and related expenses. In such case, and also under Section 7.3.3.3, the Contractor shall keep and present, in such form as the Architect may prescribe, an itemized accounting together with appropriate supporting data. Unless otherwise provided in the Contract Documents, costs for the purposes of this Section 7.3.7 shall be limited to the following:

.1 Costs of labor, including social security, old age and unemployment insurance, fringe benefits required by agreement or custom, and workers' compensation insurance;

.2 Costs of materials, supplies and equipment, including cost of transportation, whether incorporated or consumed;

.3 Rental costs of machinery and equipment, exclusive of hand tools, whether rented from the Contractor or others;

.4 Costs of premiums for all bonds and insurance, permit fees, and sales, use or similar taxes related to the Work; and

.5 Additional costs of supervision and field office personnel directly attributable to the change.

§ 7.3.8 The amount of credit to be allowed by the Contractor to the Owner for a deletion or change that results in a net decrease in the Contract Sum shall be actual net cost as confirmed by the Architect. When both additions and credits covering related Work or substitutions are involved in a change, the allowance for overhead and profit shall be figured on the basis of net increase, if any, with respect to that change.

§ 7.3.9 Pending final determination of the total cost of a Construction Change Directive to the Owner, the Contractor may request payment for Work completed under the Construction Change Directive in Applications for Payment. The Architect will make an interim determination for purposes of monthly certification for payment for those costs and certify for payment the amount that the Architect determines, in the Architect's professional judgment, to be reasonably justified. The Architect's interim determination of cost shall adjust the Contract Sum on the same basis as a Change Order, subject to the right of either party to disagree and assert a Claim in accordance with Article 15.

§ 7.3.10 When the Owner and Contractor agree with a determination made by the Architect concerning the adjustments in the Contract Sum and Contract Time, or otherwise reach agreement upon the adjustments, such agreement shall be effective immediately and the Architect will prepare a Change Order. Change Orders may be issued for all or any part of a Construction Change Directive.

§ 7.4 MINOR CHANGES IN THE WORK

The Architect has authority after having obtained Owner's approval to order minor changes in the Work not involving adjustment in the Contract Sum or extension of the Contract Time and not inconsistent with the intent of the Contract

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

Documents. Such changes will be effected by written order signed by the Architect and shall be binding on the Owner and Contractor.

ARTICLE 8 TIME

§ 8.1 DEFINITIONS

§ 8.1.1 Unless otherwise provided, Contract Time is the period of time, including authorized adjustments, allotted in the Contract Documents for Substantial Completion of the Work.

§ 8.1.1.1 The Work shall be fully completed within the time limit and/or date stated in the Contract between Owner and Contractor.

§ 8.1.1.2 Liquidated Damages: If the Contractor should fail to fully complete the Work within the stated time (subject however to extension of time duly granted in the manner and for the causes specified in the General Conditions), Contractor shall be charged by and shall pay to Owner, as liquidated damages, the sum specified in Article 3 of the AIA document A101 – 2007 Edition, as modified by the Owner, per calendar day that the Work remains incomplete beyond the time fixed for completion. Contractor hereby agrees that from the nature of the project it would be impracticable and extremely difficult to fix the actual damage that would or will be suffered in the event that Contractor should fail to fully complete the Work by the time limit or date stated and the amount of the liquidated damages are fair and reasonable. The parties agree that the liquidated damages are a reasonable forecast of just compensation for the harm done to Owner that would be caused by Contractor's failure to timely complete the Work. Contractor agrees that the amount of liquidated damages due Owner may be deducted by Owner from any monies that might otherwise be or become payable to Contractor.

§ 8.1.2 The date of commencement of the Work is the date established in the Agreement.

§ 8.1.3 The date of Substantial Completion is the date certified by the Architect in accordance with Section 9.8.

§ 8.1.4 The term "day" as used in the Contract Documents shall mean calendar day unless otherwise specifically defined.

§ 8.2 PROGRESS AND COMPLETION

§ 8.2.1 Time limits stated in the Contract Documents are of the essence of the Contract. By executing the Agreement the Contractor confirms that the Contract Time is a reasonable period for performing the Work.

§ 8.2.2 The Contractor shall not knowingly, except by agreement or instruction of the Owner in writing, prematurely commence operations on the site or elsewhere prior to the effective date of insurance required by Article 11 to be furnished by the Contractor and Owner. The date of commencement of the Work shall not be changed by the effective date of such insurance.

§ 8.2.3 The Contractor shall proceed expeditiously with adequate forces and shall achieve Substantial Completion within the Contract Time.

§ 8.3 DELAYS AND EXTENSIONS OF TIME

§ 8.3.1 If the Contractor is delayed at any time in the commencement or progress of the Work by an act or neglect of the Owner or Architect, or of an employee of either, or of a separate contractor employed by the Owner; or by changes ordered in the Work; or by labor disputes, fire, unusual delay in deliveries, unavoidable casualties or other causes beyond the Contractor's control; or by delay authorized by the Owner pending mediation, or by other causes that the Architect determines may justify delay, then the Contract Time shall be extended by Change Order for such reasonable time as the Architect may determine provided, however, that such extension of Contract time shall be net of any delays caused by or due to the fault or negligence of Contractor or that are otherwise the responsibility of Contractor and shall also be net of any contingency or "float" time allowance included in Contractor's construction schedule. Contractor shall, in the event of any occurrence likely to cause a delay, cooperate in good faith with Architect and Owner to minimize and mitigate the impact of any such occurrence and do all things reasonable under the circumstances to achieve this goal..

§ 8.3.2 Claims relating to time shall be made in accordance with applicable provisions of Article 15.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

§ 8.3.3 This Section 8.3 does not preclude recovery of damages for delay by either party under other provisions of the Contract Documents. Contactor shall not be entitled to damages of any type for delays caused by Owner, his servant, agents, employees, or separate Contractors hired or retained by Owner. Contractor may receive an extension or extensions for additional time in which to complete the Contract but shall not receive any damages of any type for such delays. Changes in the Work, regardless of the extent or number of such Changes or Owner's exercise of any of its remedies of suspension of the Work or requirement of correction or re-execution of any defective Work, shall not under any circumstances be construed as intentional interference with Contractor's performance of the Work.

ARTICLE 9 PAYMENTS AND COMPLETION

§ 9.1 CONTRACT SUM

The Contract Sum is stated in the Agreement and, including authorized adjustments, is the total amount payable by the Owner to the Contractor for performance of the Work under the Contract Documents.

§ 9.1.1 COMMITMENT OF CURRENT REVENUES ONLY

As reflected in paragraph 4.5 of the modified AIA document A 101 – 2007 Edition by and between Owner and Contractor dated of even date herewith, in the event that, during any term hereof, the governing body of any party does not appropriate sufficient funds to meet the obligations of such party under this Contract, then any party may terminate this Contract upon ninety (90) days written notice to the other party. Each of the parties hereto agrees, however, to use its best efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of each party hereto pursuant to the provisions of Tex. Loc. Govt. Code Ann. 271.903.

§ 9.2 SCHEDULE OF VALUES

Where the Contract is based on a stipulated sum or Guaranteed Maximum Price, the Contractor shall submit to the Owner and to the Architect, before the first Application for Payment, a schedule of values allocating the entire Contract Sum to the various portions of the Work which in the aggregate equals the total Contract Sum, divided so as to facilitate payments to Subcontractors, supported by such evidence of correctness as Architect may direct or as required by Owner or by Owner upon consultation with Construction Manager ("Construction Manager" shall have the same meaning as defined in the AIA Document A101-2007 as modified by the Owner). This schedule, when approved by Architect and Owner, shall be used to monitor the progress of the Work and as a basis for Certificates for Payment. All items with entered values will be transferred by Contractor to the "Application and Certificate for Payment," and shall include the latest approved Change Orders and Construction Change Directives. Change Order values and Construction Change Directives values shall be broken down to show the various subcontracts. The Application for Payment shall be on a form as provided by Architect and approved by Owner. Each item shall show its total scheduled value, value of previous applications, value of the application, percentage completed, value completed, and value yet to be completed. All blanks and columns must be filled in, including every percentage complete figure. This schedule, unless objected to by the Architect and Construction Manager, shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 9.3 APPLICATIONS FOR PAYMENT

§ 9.3.1 At least ten days before the date established for each progress payment, the Contractor shall submit to the Architect an itemized Application for Payment prepared in accordance with the schedule of values, for completed portions of the Work. Such application shall be notarized, if required, and supported by such data substantiating the Contractor's right to payment as the Owner or Architect may require, such as copies of requisitions from Subcontractors and material suppliers, and shall reflect retainage if provided for in the Contract Documents. Any allowances included in the Application for Payment shall be separately itemized with supporting data attached. The Application for Payment shall be accompanied by a certification by an office of Contractor to the effect that:

> There are no known mechanics', materialman's or laborers' liens or claims, or any other liens or claims, legal or equitable, contractual, statutory, or constitutional, outstanding or known to exist at the date of this Application; all due and payable bills with respect to the Work have been paid to date or are included in the amount requested in the current Application and there is no known basis for the filing of any mechanics', materialman's or laborers' lien or claim, or any other lien or claim, legal or equitable, contractual, statutory, or constitutional, on the Work; and waivers and releases from all Subcontractors, laborers, and material men for Work done and materials furnished have been obtained in such form as to constitute an effective waiver and release of all such liens and claims under the laws of the state within which the Project is located and shall be delivered to

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

Architect together with Contractor's waiver and release of liens and claims at the time of submission of the Application for Payment.

§ 9.3.1.1 As provided in Section 7.3.9, such applications may include requests for payment on account of changes in the Work that have been properly authorized by Construction Change Directives, or by interim determinations of the Architect, but not yet included in Change Orders.

§ 9.3.1.2 Applications for Payment shall not include requests for payment for portions of the Work for which the Contractor does not intend to pay a Subcontractor or material supplier, unless such Work has been performed by others whom the Contractor intends to pay.

§ 9.3.2 Unless otherwise provided in the Contract Documents, payments shall be made on account of materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work. If approved in advance by the Owner, payment may similarly be made for materials and equipment suitably stored off the site at a location agreed upon in writing by the Owner and Surety. Payment for materials and equipment stored on or off the site shall be conditioned upon compliance by the Contractor with procedures satisfactory to the Owner to establish the Owner's title to such materials and equipment or otherwise protect the Owner's interest, and shall include the costs of applicable insurance, storage and transportation to the site for such materials and equipment stored off the site. Under no circumstances will the Owner reimburse the Contractor for down payments, deposits, or other advance payments for materials or equipment.

§ 9.3.3 The Contractor warrants that title to all Work covered by an Application for Payment will pass to the Owner no later than the time of payment. The Contractor further warrants that upon submittal of an Application for Payment all Work for which Certificates for Payment have been previously issued and payments received from the Owner shall, to the best of the Contractor's knowledge, information and belief, be free and clear of liens, claims, security interests or encumbrances in favor of the Contractor, Subcontractors, material suppliers, or other persons or entities making a claim by reason of having provided labor, materials and equipment relating to the Work. The vesting of such title shall not impose any obligations on Owner or relieve Contractor of any of its obligations under the Contract, that Contractor shall remain responsible for damage to or loss of the Work, whether completed or under construction, until responsibility for the Work has been accepted by Owner in the manner set forth in the Contract Documents.

§ 9.4 CERTIFICATES FOR PAYMENT

§ 9.4.1 The Architect will, within seven (7) days after receipt of the Contractor's Application for Payment (which such Application for Payment shall be reviewed by the Construction Manager as evidenced by the Construction Manager's signature in the Certificate for Payment provided to the Owner), either issue to the Owner a Certificate for Payment, with a copy to the Contractor, for such amount as the Architect determines is properly due, or notify the Contractor and Owner in writing of the Architect's reasons for withholding certification in whole or in part as provided in Section 9.5.1. The Construction Manager's review shall be conducted concurrently with the Architect's review and completed in time for the Architect to certify the Application for Payment within seven (7) days.

§ 9.4.2 The issuance of a Certificate for Payment will constitute a representation by the Architect to the Owner, based on the Architect's evaluation of the Work and on all other information available to Architect including, without limitation, the data comprising the Application for Payment, that, to the best of the Architect's knowledge, information and belief, the Work has progressed to the point indicated and that the quality of the Work is in accordance with the Contract Documents. The foregoing representations are subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to results of subsequent tests and inspections, to correction of minor deviations from the Contract Documents prior to completion and to specific qualifications expressed by the Architect. The issuance of a Certificate for Payment will further constitute a representation that the Contractor is entitled to payment in the amount certified and that the aggregate amount theretofore paid to Contractor plus any applicable retention does not exceed the value of the completed portion of the Work. However, the issuance of a Certificate for Payment will not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, or (3) made examination to ascertain how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

§ 9.5 DECISIONS TO WITHHOLD CERTIFICATION

§ 9.5.1 The Architect may withhold a Certificate for Payment in whole or in part, to the extent reasonably necessary to protect the Owner, if in the Architect's opinion the representations to the Owner required by Section 9.4.2 cannot be made. If the Architect is unable to certify payment in the amount of the Application, the Architect will notify the Contractor and Owner as provided in Section 9.4.1. If the Contractor and Architect cannot agree on a revised amount, the Architect will promptly issue a Certificate for Payment for the amount for which the Architect is able to make such representations to the Owner. The Architect may also withhold a Certificate for Payment or, because of subsequently discovered evidence, may nullify the whole or a part of a Certificate for Payment previously issued, to such extent as may be necessary in the Architect's opinion to protect the Owner from loss for which the Contractor is responsible, including loss resulting from acts and omissions described in Section 3.3.2, because of

.1 defective Work not remedied;

.2 third party claims filed or reasonable evidence indicating probable filing of such claims unless security acceptable to the Owner is provided by the Contractor;

.3 failure of the Contractor to make payments properly to Subcontractors or for labor, materials or equipment;

.4 reasonable evidence that the Work cannot be completed for the unpaid balance of the Contract Sum;

.5 damage to the Owner or a separate contractor;

.6 reasonable evidence that the Work will not be completed within the Contract Time, or that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay; or

.7 failure to carry out the Work in accordance with the Contract Documents.

§ 9.5.2 When the above reasons for withholding certification are removed, certification will be made for amounts previously withheld.

§ 9.5.3 If the Architect withholds certification for payment under Section 9.5.1.3, the Owner may, at its sole option, issue joint checks to the Contractor and to any Subcontractor or material or equipment suppliers to whom the Contractor failed to make payment for Work properly performed or material or equipment suitably delivered. If the Owner makes payments by joint check, the Owner shall notify the Architect and the Architect will reflect such payment on the next Certificate for Payment.

§ 9.5.4 Notwithstanding any provision contained within this Article, if the Work has not attained Substantial Completion with the contract time, subject to extensions of time allowed under these Conditions, Architect may withhold any further payment to Contractor to the extent necessary to preserve sufficient funds to complete the construction of the Project and to cover liquidated damages assessed against Contractor up to the time of the Application for Payment and to the time it is reasonably anticipated that Substantial Completion will be achieved.

§ 9.6 PROGRESS PAYMENTS

§ 9.6.1 After the Architect has issued a Certificate for Payment, the Owner shall make payment in the manner and within the time provided in the Contract Documents, and shall so notify the Architect. Owner may refuse to make payment on any Certificate for Payment for any default of the Contract, including, but not limited to, those defaults set forth in Clauses 9.5.1.1 through 9.5.1.7. Owner shall not be deemed in default by reason of withholding payment while any of such defaults remain uncured.

§ 9.6.2 The Contractor shall pay each Subcontractor no later than seven days after receipt of payment from the Owner the amount to which the Subcontractor is entitled, reflecting percentages actually retained from payments to the Contractor on account of the Subcontractor's portion of the Work. The Contractor shall, by appropriate agreement with each Subcontractor, require each Subcontractor to make payments to Sub-subcontractors in a similar manner.

§ 9.6.3 The Architect will, on request, furnish to a Subcontractor, if practicable, information regarding percentages of completion or amounts applied for by the Contractor and action taken thereon by the Architect and Owner on account of portions of the Work done by such Subcontractor.

§ 9.6.4 The Owner has the right to request written evidence from the Contractor that the Contractor has properly paid Subcontractors and material and equipment suppliers amounts paid by the Owner to the Contractor for subcontracted Work. If the Contractor fails to furnish such evidence within seven days, the Owner shall have the right to contact Subcontractors to ascertain whether they have been properly paid. Neither the Owner nor Architect shall have an obligation to pay or to see to the payment of money to a Subcontractor.

Init.
/

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

§ 9.6.5 Contractor payments to material and equipment suppliers shall be treated in a manner similar to that provided in Sections 9.6.2, 9.6.3 and 9.6.4.

§ 9.6.6 A Certificate for Payment, a progress payment, or partial or entire use or occupancy of the Project by the Owner shall not constitute acceptance of Work not in accordance with the Contract Documents.

§ 9.6.7 DELETED.

§ 9.7 FAILURE OF PAYMENT

If the Architect does not issue a Certificate for Payment, through no fault of the Contractor, within seven days after receipt of the Contractor's Application for Payment, or if the Owner does not, for reasons other than a default of the Contract, including, but not limited to, those defaults set forth in Clauses 9.5.1.1 through 9.5.1.7 pay the Contractor within seven days after the date established in the Contract Documents the amount certified by the Architect , then the Contractor may, upon seven additional days' written notice to the Owner and Architect, stop the Work until payment of the amount owing has been received. The Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Contractor's reasonable costs of shut-down, delay and start-up, plus interest as provided for in the Contract Documents.

§ 9.7.1 If Owner is entitled to reimbursement or payment from Contractor under or pursuant to the Contract Documents, such payment shall be made promptly upon demand by Owner. Notwithstanding anything contained in the Contract Documents to the contrary, if Contractor fails to promptly make any payment due Owner, or if Owner incurs any costs and expenses to cure any default of Contractor or to correct defective Work, Owner shall have an absolute right to offset such amount against the Contract Sum and may, in Owner sole discretion, elect either to (i) deduct an amount equal to that which Owner is entitled from any payment then or thereafter due Contractor from Owner, or (ii) issue a written notice to Contractor reducing the Contract Sum by an amount equal to that which Owner is entitled.

§ 9.8 SUBSTANTIAL COMPLETION

§ 9.8.1 Substantial Completion is the stage in the progress of the Work when the Work or designated portion thereof (which Owner agrees to accept separately) is sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use.

§ 9.8.2 When the Contractor considers that the Work, or a portion thereof which the Owner agrees to accept separately, is substantially complete, the Contractor shall prepare and submit to the Architect a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents.

§ 9.8.3 Upon receipt of the Contractor's list, the Architect will make an inspection to determine whether the Work or designated portion thereof is substantially complete. If the Architect's inspection discloses any item, whether or not included on the Contractor's list, which is not sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work or designated portion thereof for its intended use, the Contractor shall, before issuance of the Certificate of Substantial Completion, complete or correct such item upon notification by the Architect. In such case, the Contractor shall then submit a request for another inspection by the Architect to determine Substantial Completion.

§ 9.8.4 When the Work or designated portion thereof is substantially complete, the Architect will prepare a Certificate of Substantial Completion that shall establish the date of Substantial Completion, shall establish responsibilities of the Owner and Contractor for security, maintenance, heat, utilities, damage to the Work and insurance, and shall fix the time within which the Contractor shall finish all items on the list accompanying the Certificate. Warranties required by the Contract Documents shall commence on the date of issuance of the certificate of final payment by Architect unless otherwise provided in the Certificate of Substantial Completion. The Work will not be considered suitable for Substantial Completion review until all Project systems included in the Work are operational as designed and scheduled, all designated or required governmental inspections and certifications have been made and posted, designated instruction of Owner's personnel in the operation of systems has been completed, and all final finishes within the Contract are in place. In general, the only remaining Work shall be minor in nature, so that Owner and/or Owner's employees and if applicable, the public, could occupy the building on that date and the completing of the

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

Work by Contractor would not materially interfere or hamper Owner's or Owner's employees and if applicable, the public, (or those claiming by, through, or under Owner) from normal County operations. As a further condition of Substantial Completion acceptance, Contractor shall certify that all remaining Work will be completed within thirty (30) consecutive calendar days or as agreed upon following the Date of Substantial Completion. If Contractor requests a Substantial Completion review, and Architect, after performing the Substantial Completion review, finds that the Project was not ready for the Substantial Completion review, then Contractor shall pay the Architect's fees for any additional Substantial Completion reviews.

§ 9.8.5 The Certificate of Substantial Completion shall be submitted to the Owner and Contractor for their written acceptance of responsibilities assigned to them in such Certificate. Upon such acceptance and consent of surety, if any, the Owner shall make payment of retainage applying to such Work or designated portion thereof. Such payment shall be adjusted for Work that is incomplete or not in accordance with the requirements of the Contract Documents.

§9.8.6 In order for the project or a major portion thereof to be considered substantially complete, the following conditions must be met: (1) All inspections by governmental authorities have jurisdiction over the project must have been finalized, any remedial work required by those authorities must have been completed, and Certificates of Occupancy and similar governmental approval forms must have been issued and copies delivered to the Owner and Architect. (2) All work, both interior and exterior, shall have been completed and cleaned except minor items which if completed after occupancy, will not, in the Owner's opinion, cause interference to the Owner's use of the building or any portion thereof. A significantly large number of items to be completed or corrected will preclude the Architect from issuing a Certificate of Substantial Completion. The Owner and Architect will be the sole judge of what constitutes a significantly large number of items.

§9.8.7 After the date of Substantial Completion of the Project is evidenced by the Certificate of Substantial Completion, the Contractor will be allowed a period of thirty (30) days, unless extended by mutual agreement or provision of the Contract, within which to correct all deficiencies attached to the Certificate of Substantial Completion. Failure of the Contractor to complete such corrections within the stipulated time will be reported to the Contractor's surety. In this report, the Contactor and surety will be informed that, should correction remain incomplete for fifteen (15) days, the Owner may initiate action to complete corrective work out of the remaining Contract funds in accordance with Article 14.

§ 9.9 PARTIAL OCCUPANCY OR USE

§ 9.9.1 The Owner may occupy or use any completed or partially completed portion of the Work at any stage when such portion is designated by separate agreement with the Contractor, provided such occupancy or use is consented to by the insurer as required under Section 11.3.1.5 and authorized by public authorities having jurisdiction over the Project. Such partial occupancy or use may commence whether or not the portion is substantially complete, provided the Owner and Contractor have accepted in writing the responsibilities assigned to each of them for payments, retainage, if any, security, maintenance, heat, utilities, damage to the Work and insurance, and have agreed in writing concerning the period for correction of the Work and commencement of warranties required by the Contract Documents. When the Contractor considers a portion substantially complete, the Contractor shall prepare and submit a list to the Architect as provided under Section 9.8.2. Consent of the Contractor to partial occupancy or use shall not be unreasonably withheld. The stage of the progress of the Work shall be determined by written agreement between the Owner and Contractor or, if no agreement is reached, by decision of the Architect.

§ 9.9.2 Immediately prior to such partial occupancy or use, the Owner, Contractor and Architect shall jointly inspect the area to be occupied or portion of the Work to be used in order to determine and record the condition of the Work.

§ 9.9.3 Unless otherwise agreed upon, partial occupancy or use of a portion or portions of the Work shall not constitute acceptance of Work not complying with the requirements of the Contract Documents.

§ 9.10 FINAL COMPLETION AND FINAL PAYMENT

§ 9.10.1 Upon receipt of the Contractor's written notice that the Work is ready for final inspection and acceptance and upon receipt of a final Application for Payment, the Architect will promptly make such inspection and, when the Architect finds the Work acceptable under the Contract Documents and the Contract fully performed, the Architect will promptly issue a final Certificate for Payment stating that to the best of the Architect's knowledge, information and belief, and on the basis of the Architect's on-site visits and inspections, the Work has been completed in accordance with terms and conditions of the Contract Documents and that the entire balance found to be due the

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

Contractor and noted in the final Certificate is due and payable. The Architect's final Certificate for Payment will constitute a further representation that conditions listed in Section 9.10.2 as precedent to the Contractor's being entitled to final payment have been fulfilled.

§ 9.10.2 Neither final payment nor any remaining retained percentage shall become due until the Contractor submits to the Architect (1) an affidavit that payrolls, bills for materials and equipment, and other indebtedness connected with the Work for which the Owner or the Owner's property might be responsible or encumbered (less amounts withheld by Owner) have been paid or otherwise satisfied, (2) a certificate evidencing that insurance required by the Contract Documents to remain in force after final payment is currently in effect and will not be canceled or allowed to expire until at least 30 days' prior written notice has been given to the Owner, (3) a written statement that the Contractor knows of no substantial reason that the insurance will not be renewable to cover the period required by the Contract Documents, (4) consent of surety, if any, to final payment and (5), if required by the Owner, other data establishing payment or satisfaction of obligations, such as receipts, releases and waivers of liens, claims, security interests or encumbrances arising out of the Contract, to the extent and in such form as may be designated by the Owner. If a Subcontractor refuses to furnish a release or waiver required by the Owner, the Contractor may furnish a bond satisfactory to the Owner to indemnify the Owner against such lien. If such lien remains unsatisfied after payments are made, the Contractor shall refund to the Owner all money that the Owner may be compelled to pay in discharging such lien, including all costs and reasonable attorneys' fees.

§ 9.10.3 If, after Substantial Completion of the Work, final completion thereof is materially delayed through no fault of the Contractor or by issuance of Change Orders affecting final completion, and the Architect so confirms, the Owner shall, upon application by the Contractor and certification by the Architect, and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed and accepted. If the remaining balance for Work not fully completed or corrected is less than retainage stipulated in the Contract Documents, and if bonds have been furnished, the written consent of surety to payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by the Contractor to the Architect prior to certification of such payment. Such payment shall be made under terms and conditions governing final payment, except that it shall not constitute a waiver of claims.

§ 9.10.4 The making of final payment shall constitute a waiver of Claims by the Owner except those arising from

- .1 liens, Claims, security interests or encumbrances arising out of the Contract and unsettled;
- .2 failure of the Work to comply with the requirements of the Contract Documents;
- .3 terms of special warranties required by the Contract Documents; or
- .4 faulty or defective Work appearing after Substantial Completion.

§ 9.10.5 Acceptance of final payment by the Contractor, a Subcontractor or material supplier shall constitute a waiver of claims by that payee except those previously made in writing and identified by that payee as unsettled at the time of final Application for Payment.

ARTICLE 10 PROTECTION OF PERSONS AND PROPERTY

§ 10.1 SAFETY PRECAUTIONS AND PROGRAMS

The Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the Contract.

§ 10.2 SAFETY OF PERSONS AND PROPERTY

§ 10.2.1 The Contractor shall take reasonable precautions for safety of, and shall provide reasonable protection to prevent damage, injury or loss to

- .1 employees on the Work and other persons who may be affected thereby;
- .2 the Work and materials and equipment to be incorporated therein, whether in storage on or off the site, under care, custody or control of the Contractor or the Contractor's Subcontractors or Sub-subcontractors; and
- .3 other property at the site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction.

Init.
AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

§ 10.2.2 The Contractor shall comply with and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities bearing on safety of persons or property or their protection from damage, injury or loss.

§ 10.2.3 The Contractor shall erect and maintain, as required by existing conditions and performance of the Contract, reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent sites and utilities. The Contractor shall also be responsible, at the Contractor's sole cost and expense, for all measures necessary to protect any property adjacent to the project and improvements therein. Any damage to such property or improvements shall be promptly repaired by the Contractor.

§ 10.2.4 When use or storage of explosives or other hazardous materials or equipment or unusual methods are necessary for execution of the Work, the Contractor shall exercise utmost care and carry on such activities under supervision of properly qualified personnel.

§ 10.2.5 The Contractor shall promptly remedy damage and loss (other than damage or loss insured under property insurance required by the Contract Documents) to property referred to in Sections 10.2.1.2 and 10.2.1.3 caused in whole or in part by the Contractor, a Subcontractor, a Sub-subcontractor, or anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable and for which the Contractor is responsible under Sections 10.2.1.2 and 10.2.1.3, except damage or loss attributable to acts or omissions of the Owner or Architect or anyone directly or indirectly employed by either of them, or by anyone for whose acts either of them may be liable, and not attributable to the fault or negligence of the Contractor. The foregoing obligations of the Contractor are in addition to the Contractor's obligations under Section 3.18.

§ 10.2.6 The Contractor shall designate a responsible member of the Contractor's organization at the site whose duty shall be the prevention of accidents. This person shall be the Contractor's superintendent unless otherwise designated by the Contractor in writing to the Owner and Architect.

§ 10.2.7 The Contractor shall not permit any part of the construction or site to be loaded so as to cause damage or create an unsafe condition.

§ 10.2.8 INJURY OR DAMAGE TO PERSON OR PROPERTY

If either party suffers injury or damage to person or property because of an act or omission of the other party, or of others for whose acts such party is legally responsible, written notice of such injury or damage, whether or not insured, shall be given to the other party within a reasonable time not exceeding 21 days after discovery. The notice shall provide sufficient detail to enable the other party to investigate the matter.

§ 10.3 HAZARDOUS MATERIALS

§ 10.3.1 The Contractor is responsible for compliance with any requirements included in the Contract Documents regarding hazardous materials. If the Contractor encounters a hazardous material or substance not addressed in the Contract Documents and if reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a material or substance, including but not limited to asbestos or polychlorinated biphenyl (PCB), encountered on the site by the Contractor, the Contractor shall, upon recognizing the condition, immediately stop Work in the affected area and report the condition to the Owner and Architect in writing.

§ 10.3.2 Upon receipt of the Contractor's written notice, the Owner shall obtain the services of a licensed laboratory to verify the presence or absence of the material or substance reported by the Contractor and, in the event such material or substance is found to be present, to cause it to be rendered harmless. Unless otherwise required by the Contract Documents, the Owner shall furnish in writing to the Contractor and Architect the names and qualifications of persons or entities who are to perform tests verifying the presence or absence of such material or substance or who are to perform the task of removal or safe containment of such material or substance. The Contractor and the Architect will promptly reply to the Owner in writing stating whether or not either has reasonable objection to the persons or entities proposed by the Owner. If either the Contractor or Architect has an objection to a person or entity proposed by the Owner, the Owner shall propose another to whom the Contractor and the Architect have no reasonable objection. When the material or substance has been rendered harmless, Work in the affected area shall resume upon written agreement of the Owner and Contractor. By Change Order, the Contract Time shall be extended appropriately and the

Init.
VT
AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

Contract Sum shall be increased in the amount of the Contractor's reasonable additional costs of shut-down, delay and start-up.

§ 10.3.3 DELETED.

§ 10.3.4 The Owner shall not be responsible under this Section 10.3 for materials or substances the Contractor brings to the site unless such materials or substances are required by the Contract Documents.

§ 10.3.5 The Contractor shall indemnify the Owner for the cost and expense the Owner incurs (1) for remediation of a material or substance the Contractor brings to the site and negligently handles, or (2) where the Contractor fails to perform its obligations under Section 10.3.1, except to the extent that the cost and expense are due to the Owner's fault or negligence.

§ 10.3.6 DELETED.

§ 10.4 EMERGENCIES

In an emergency affecting safety of persons or property, the Contractor shall act, at the Contractor's discretion, to prevent threatened damage, injury or loss. Additional compensation or extension of time claimed by the Contractor on account of an emergency shall be determined as provided in Article 15 and Article 7.

ARTICLE 11 INSURANCE AND BONDS

§ 11.1 CONTRACTOR'S LIABILITY INSURANCE

§ 11.1.1 The Contractor shall purchase from and maintain in a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located such insurance as will protect the Contractor and Owner from claims set forth below which may arise out of or result from the Contractor's operations and completed operations under the Contract and for which the Contractor may be legally liable, whether such operations be by the Contractor or by a Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

.1 Claims under workers' compensation, disability benefit and other similar employee benefit acts that are applicable to the Work to be performed;

.2 Claims for damages because of bodily injury, occupational sickness or disease, or death of the Contractor's employees;

.3 Claims for damages because of bodily injury, sickness or disease, or death of any person other than the Contractor's employees;

.4 Claims for damages insured by usual personal injury liability coverage;

.5 Claims for damages, other than to the Work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom;

.6 Claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle;

.7 Claims for bodily injury or property damage arising out of completed operations; and

.8 Claims involving contractual liability insurance applicable to the Contractor's obligations under Section 3.18.

§ 11.1.2 The insurance required by Section 11.1.1 shall be written for not less than limits of liability specified in the Contract Documents or required by law, whichever coverage is greater. Coverages, whether written on an occurrence or claims-made basis, shall be maintained without interruption from the date of commencement of the Work until the date of final payment and termination of any coverage required to be maintained after final payment, and, with respect to the Contractor's completed operations coverage, until the expiration of the period for correction of Work or for such other period for maintenance of completed operations coverage as specified in the Contract Documents.

§ 11.1.3 Certificates of insurance acceptable to the Owner shall be filed with the Owner prior to commencement of the Work and thereafter upon renewal or replacement of each required policy of insurance. These certificates and the insurance policies required by this Section 11.1 shall contain a provision that coverages afforded under the policies will not be canceled or allowed to expire until at least 30 days' prior written notice has been given to the Owner. An additional certificate evidencing continuation of liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment as required by Section 9.10.2 and thereafter upon renewal or replacement of such coverage until the expiration of the time required by Section 11.1.2. Information concerning reduction of coverage on account of revised limits or claims paid under the General Aggregate, or both, shall be furnished by the Contractor with reasonable promptness.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

§ 11.1.4 The Contractor shall cause the commercial liability coverage required by the Contract Documents to include (1) the Owner, the Architect and the Architect's Consultants as additional insureds for claims caused in whole or in part by the Contractor's negligent acts or omissions during the Contractor's operations; and (2) the Owner as an additional insured for claims caused in whole or in part by the Contractor's negligent acts or omissions during the Contractor's completed operations.

§ 11.1.5 SCHEDULE OF INSURANCE COVERAGES

§ 11.1.5.1 Contractor shall carry and keep in full force for the duration of the project the following Coverage.

Coverage	**Minimum Amounts and Limits**
Worker's Compensation	Statutory Limits
Employer's Liability:	
Bodily Injury by Accident	$500,000.00/each accident
Bodily Injury by Disease	$500,000.00/each employee
Bodily Injury by Disease	$500,000.00/Policy Limit
Commercial General Liability	
Bodily Injury/Property Damage	$1,000,000.00 per occurrence $2,000,000.00 aggregate

(Premises Operations, Independent Contractors, Product/Completed Operations, Personal Injury, Contractual Liability, Explosion, Collapse, Underground and Broad Form Property Damage).

Comprehensive Automobile Liability	$1,000,000.00 Combined Single Limit per Occurrence

Auto liability insurance shall be on a standard form written to cover all owned, hired, and non-owned automobiles. The policy shall be endorsed to include the Indemnified Parties (paragraph 3.18) as additional insured, contain cross-liability and severability of interest endorsements, and state that this insurance is primary insurance as regards to any other insurance carried by the Indemnified Parties (see paragraph 3.18).

§11.1.5.2 All policies shall contain special endorsements to include:

.1 The Owner as an additional insured (except for Worker's Compensation) and all other parties identified in 3.18 (Indemnified Parties);

.2 Wavier of Subrogation in favor of Owner under the Worker's Compensation and Employer's Liability policies.

.3. A statement that a notice shall be given to Owner by certified mail thirty (30) days prior to cancellation or upon any material changes in coverage.

4. Contain cross-liability and severability of interest endorsements;

5. state that this insurance is primary insurance in regard to any other insurance carried by the an Indemnified Party (see 3.18);

.6 the following coverage:

a. Premises/Operations;
b. Independent Contractors;
c. Completed Operations for a period of two years following the acceptance of Contractor's Work;
d. Comprehensive General Liability Endorsement to include Blanket Contractual Liability (specifically covering, but not limited to, the contractual obligations assumed by Contractor, Broad Form Property Damage, and Personal Injury Liability with employee and contractual exclusions removed;

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

e. Deletion of exclusions relative to Collapse, Explosion, and Underground Property Damage Hazards;
f. Personal Injury Liability with the contractual exclusions removed;
g. Cross Liability Endorsement.

§11.1.5.6 Umbrella Excess Liability Insurance

Bodily Injury and	$2,000,000.00 per occurrence
Property Damage	$2,000,000.00 aggregate

This policy shall be written on an umbrella excess basis above, the coverage described in this Article 11. The policy shall be endorsed to include the Indemnified Parties (3.18) as additional insureds. The policy shall contain cross-liability and severability of interest endorsements and shall state, as regard the Indemnified Parties that the insurance is primary insurance as to any other insurance carried by any Indemnified Party. The policy shall be endorsed to provide the defense coverage obligation.

§11.1.6 Further, Contractor shall require all Subcontractors to carry similar insurance coverage and limits of liability as required under this Article 11, adjusted to the nature of Subcontractor's operations and submit same to Owner for approval before any Work commences.

§11.1.7 In the event Contractor fails to obtain the required certificates of insurance from the Subcontractor and a claim is made or suffered, Contractor shall indemnify, defend, and hold harmless the indemnified parties from any and all claims for which the required insurance would have provided coverage.

§ 11.2 OWNER'S LIABILITY INSURANCE

The Owner shall be responsible for purchasing and maintaining the Owner's usual liability insurance.

§ 11.2.1 By signing the Contract or providing or causing to be provided a Certificate of Coverage, the Contractor is representing to the Owner that all employees of the Contractor who will provide services on the Project will be covered by workers' compensation coverage for the duration of the Project, that coverage will be based on proper reporting or classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.

§11.2.2 Optionally, the Owner may require the Contractor to purchase and maintain Project Management Protective Liability insurance from the Contractor's usual sources as primary coverage for the Owner's, Contractor's and Architect's vicarious liability for construction operations under the contract. Unless otherwise required by the Contract Documents, the Owner shall reimburse the Contractor by increasing the Contract Sum to pay the cost of purchasing and maintaining such optional insurance coverage and the Contractor shall not be responsible for purchasing any other liability insurance on behalf of the Owner. The minimum limits of liability purchased with such coverage shall be equal to the aggregate of the limits required for Contractor's Liability Insurance under Article 11.

§ 11.3 PROPERTY INSURANCE

§ 11.3.1 Contractor shall obtain a builder's risk "all-risk" or equivalent policy in the amount of the initial Contract Sum (or, if applicable Guaranteed Maximum Price), plus value of subsequent Contract modifications and cost of materials supplied or installed by others, comprising total value for the entire Project at the site on a replacement cost basis without optional deductibles. The policy must also name its subcontractors and the Owner as additional insured, as their respective interests may appear. Coverage shall include material stored on-site and in transit. Such insurance will be with a company or companies lawfully authorized to do business in Texas. The policy must have the following endorsement:"This insurance shall be specific as to coverage and not considered as contributing insurance with any permanent insurance maintained on the present premises".

§ 11.3.1.1 Property insurance shall be on an "all-risk" or equivalent policy form and shall include, without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework,

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for Architect's and Contractor's services and expenses required as a result of such insured loss.

§ 11.3.1.1.1 For any claim made against Contractor's Builder's Risk Insurance, the deductible shall not exceed $2,500.00 for a Contract Sum of less than $4 million. For a Contract Sum of $4 million or more, the deductible shall not exceed $5,000.00.

§11.3.1.1.2 The Contractor waives all rights against (1) Owner, the Subcontractors, Sub-subcontractors, agents, and employees, and (2) the Architect, Architect's consultants, separate contractors, if any, and any of their Subcontractors, Sub-subcontractors, agents, and employees, for damages caused by fire or other perils to the extent covered by property insurance obtained pursuant to this paragraph or other property insurance applicable to the Work, except such rights as Contractor has to proceeds of such insurance held by the Contractor as a fiduciary. The Contractor, as appropriate, shall require of any separate contractors, Subcontractors, Sub-subcontractors, agents, and employees of any of them by appropriate written agreements, similar waivers each in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had a insurable interest in the property damaged.

§11.3.1.1.3 The Contractor as fiduciary shall have power to adjust and settle a loss with insurers. The Contractor shall pay all Subcontractors their just shares of insurance proceeds received by the Contractor, and by appropriate agreements shall require Subcontractors to make payment to their Sub-subcontractors in similar manner. If required in writing by a party in interest, the Contractor as fiduciary shall, upon occurrence of insured loss, give bond for proper performance of the Contractor's duties. The cost of required bonds shall be charged against proceeds received as fiduciary. The Contractor shall deposit in a separate account proceeds so received, which the Contractor shall distribute in accordance with such agreement as the parties in interest may reach. If after such loss no other special agreement is made and unless the Owner terminates the Contract for convenience, replacement of damaged property shall be performed by the Contractor under the insurance proceeds.

§ 11.3.1.2 DELETED.

§ 11.3.1.3 DELETED.

§ 11.3.1.4 This property insurance shall cover portions of the Work stored off the site, and also portions of the Work in transit.

§ 11.3.1.5 Partial occupancy or use shall not affect the validity or coverage of property insurance.

§ 11.3.2 BOILER AND MACHINERY INSURANCE
DELETED.

§ 11.3.3 LOSS OF USE INSURANCE
DELETED. .

§ 11.3.4 If the Contractor requests in writing that insurance for risks other than those described herein or other special causes of loss be included in the property insurance policy, the Owner shall, if possible, include such insurance, and the cost thereof shall be charged to the Contractor by appropriate Change Order.

§ 11.3.5 DELETED.

§ 11.3.6 DELETED.

§ 11.3.7 WAIVERS OF SUBROGATION
The Contractor waives all rights against (1) Owner, the Subcontractors, Sub-subcontractors, agents, and employees, and (2) the Architect, Architect's consultants, separate contractors, if any, and any of their Subcontractors, Sub-subcontractors, agents, and employees, for damages caused by fire or other perils to the extent covered by

Init.
/

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

property insurance obtained pursuant to Article 11 or other property insurance applicable to the Work, except such rights as Contractor has to proceeds of such insurance held by the Contractor as a fiduciary. The Contractor, as appropriate, shall require of any separate contractors, Subcontractors, Sub-subcontractors, agents, and employees of any of them by appropriate written agreements, similar waivers each in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had a insurable interest in the property damaged.

§ 11.3.8 A loss insured under the Owner's property insurance shall be adjusted by the Owner as fiduciary and made payable to the Owner as fiduciary for the insureds, as their interests may appear, subject to requirements of any applicable mortgagee clause and of Section 11.3.10. The Contractor shall pay Subcontractors their just shares of insurance proceeds received by the Contractor, and by appropriate agreements, written where legally required for validity, shall require Subcontractors to make payments to their Sub-subcontractors in similar manner.

§ 11.3.9 DELETED.

§ 11.3.10 The Owner as fiduciary shall have power to adjust and settle a loss with insurers.

§ 11.4 PERFORMANCE BOND AND PAYMENT BOND

§ 11.4.1 The Contractor shall furnish a Performance Bond in an amount equal to one hundred percent (100%) of the Contract Sum, as security for the faithful performance of the Contract and also a one hundred percent (100%) Payment Bond, as security for the payment of all persons performing labor on the Project under this Contract and furnishing materials in connection with the Contract. The Performance Bond and the Payment Bond may be in one or in separate instruments in accordance with local law. Surety companies must be authorized to write surety bonds in Texas and any such surety bond must comply with the requirements of Subchapter A of Chapter 3503 of the Texas Insurance Code.

§11.4.1.1 The Contractor shall deliver the required Bonds to the Owner not later than the date of the preconstruction meeting. All Bonds will be reviewed by the Architect for compliance with the Contract Documents prior to the execution of the Contract. In the event that Architect has any questions concerning the sufficiency of the bonds, Architect shall refer the bonds to Owner or Owner's representative for decision.

§11.4.1.2 All bonds shall be originals. The Contractor shall require the attorney-in-fact who executes the required Bonds on behalf of the Surety to affix thereto a certified and current copy of the power-of-attorney. The name, address, and telephone number of a contact person for the Bonding Company shall be provided.

§ 11.4.2 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

§ 11.4.3 The Bonds shall be provided to comply with the terms and provisions of Chapter 2253 of the Texas Government Code. Bonds shall be signed by an agent resident in the State of Texas and date of bond shall be on or after the date of execution of the Contract but prior to the date of the notice to proceed. If at any time during the continuance of the Contract, the surety of the Contractor's bonds becomes insufficient, the Owner shall have the right to require additional and sufficient sureties which the Contractor shall furnish to the satisfaction of the Owner within ten (10) days after notice to do so. In default thereof, the Contractor may be suspended, and all payment or money due to the Contractor withheld until sufficient bonds are provided by Contractor.

ARTICLE 12 UNCOVERING AND CORRECTION OF WORK

§ 12.1 UNCOVERING OF WORK

§ 12.1.1 If a portion of the Work is covered contrary to the Architect's request or to requirements specifically expressed in the Contract Documents, it must, if requested in writing by the Architect, be uncovered for the Architect's examination and be replaced at the Contractor's expense without change in the Contract Time or Contract Sum.

§ 12.1.2 If a portion of the Work has been covered that the Architect has not specifically requested to examine prior to its being covered, the Architect may request to see such Work and it shall be uncovered by the Contractor. If such Work is in accordance with the Contract Documents, costs of uncovering and replacement shall, by appropriate

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

Change Order, be at the Owner's expense. If such Work is not in accordance with the Contract Documents, such costs and the cost of correction shall be at the Contractor's expense unless the condition was caused by the Owner or a separate contractor in which event the Owner shall be responsible for payment of such costs.

§ 12.2 CORRECTION OF WORK

§ 12.2.1 BEFORE OR AFTER SUBSTANTIAL COMPLETION

The Contractor shall promptly correct Work rejected by the Architect as incomplete, defective, or failing to conform to the requirements of the Contract Documents, whether discovered before or after Substantial Completion and whether or not fabricated, installed or completed. Costs of correcting such rejected Work, including additional testing and inspections, the cost of uncovering and replacement, and compensation for the Architect's services and expenses made necessary thereby, shall be at the Contractor's expense.

§ 12.2.2 AFTER SUBSTANTIAL COMPLETION

§ 12.2.2.1 In addition to the Contractor's obligations under Section 3.5, if, within one year after the date of Substantial Completion of the entire Work (unless otherwise provided in any Certificate of Partial Substantial Completion approved by the parties), or within such longer period of time as may be prescribed by law or in equity, or by terms of an applicable special warranty required by the Contract Documents, any of the Work is found to be defective or otherwise not in accordance with the requirements of the Contract Documents, the Contractor shall correct it promptly after receipt of written notice from the Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition. This corrective period shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual performance of the Work. Corrective Work shall be warranted to be free from defects for a period equal to the longer of six (6) months after the completion of the corrective Work or one (1) year after the Date of Substantial Completion (subject to extension as previously described) or such longer period of time as may be prescribed by law or in equity, or expiration of the term of any applicable special warranty, if applicable, required by the Contract Documents. Any defect in such Work shall be corrected again by Contractor promptly upon notice of the defect from Owner. This obligation under this Subparagraph 12.2.2.1 shall survive acceptance of the Work under the Contract and termination of the Contract by the Owner. If the Contractor fails to correct nonconforming Work within a reasonable time during that period after receipt of notice from the Owner or Architect, the Owner may correct it in accordance with Section 2.4.

§ 12.2.2.2 The one-year period for correction of Work shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual completion of that portion of the Work.

§ 12.2.2.3 The one-year period for correction of Work shall not be extended by corrective Work performed by the Contractor pursuant to this Section 12.2.

§12.2.2.4 Just before the termination of the various guarantee periods, Contractor shall accompany Owner's agent and Architect on an inspection tour of the building and shall note any defects and shall start remedying these defects within ten (10) days of the inspection tour and shall prosecute the Work without interruption until accepted by Owner and Architect, even though such prosecution should extend beyond the limit of the guarantee period.

§ 12.2.3 The Contractor shall remove from the site portions of the Work that are not in accordance with the requirements of the Contract Documents and are neither corrected by the Contractor nor accepted by the Owner.

§ 12.2.4 The Contractor shall bear the cost of correcting destroyed or damaged construction, whether completed or partially completed, of the Owner or separate contractors caused in whole or in part by the Contractor's correction or removal of Work that is defective or otherwise not in accordance with the requirements of the Contract Documents.

§ 12.2.5 Nothing contained in this Section 12.2 shall be construed to establish a period of limitation with respect to other obligations the Contractor has under the Contract Documents or under law or in equity. Establishment of the period for correction of Work as described in Section 12.2.2 relates only to the specific obligation of the Contractor to correct the Work, and has no relationship to the time within which the obligation to comply with the Contract Documents may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Contractor's liability with respect to the Contractor's obligations other than specifically to correct the Work.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

§ 12.3 ACCEPTANCE OF NONCONFORMING WORK

If the Owner prefers to accept Work that is defective or otherwise not in accordance with the requirements of the Contract Documents, the Owner may do so instead of requiring its removal and correction, in which case the Contract Sum will be reduced as appropriate and equitable. Such adjustment shall be effected whether or not final payment has been made.

ARTICLE 13 MISCELLANEOUS PROVISIONS

§ 13.1 GOVERNING LAW

The Contract shall be governed by the law of the place where the Project is located.

§ 13.2 SUCCESSORS AND ASSIGNS

§ 13.2.1 The Owner and Contractor respectively bind themselves, their partners, successors, assigns and legal representatives to covenants, agreements and obligations contained in the Contract Documents. Except as provided in Section 13.2.2, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make such an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 13.2.2 The Owner may, without consent of the Contractor, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner's rights and obligations under the Contract Documents. The Contractor shall execute all consents reasonably required to facilitate such assignment.

§ 13.3 WRITTEN NOTICE

§13.3.1 Written notice shall be deemed to have been duly served if delivered in person to the individual, to a member of the firm or entity, or to an officer of the corporation for which it was intended; or if delivered at, or sent by registered or certified mail or by courier service providing proof of delivery to, the last business address known to the party giving notice or if delivered by facsimile to the offices of the person or corporation for which it was intended. Facsimiles received after 5:00 p.m. on a business day, or on a weekend or legal holiday on which the recipient's offices are closed, notice shall be deemed to have been duly served on the next business day.

§ 13.4 RIGHTS AND REMEDIES

§ 13.4.1 Duties and obligations imposed by the Contract Documents and rights and remedies available thereunder shall be in addition to and not a limitation of duties, obligations, rights and remedies otherwise imposed or available by law or in equity or by any other agreement, and any such rights and remedies shall survive the acceptance of the Work and/or any termination of the Contract Documents.

§ 13.4.2 No action or failure to act by the Owner, Architect or Contractor shall constitute a waiver of a right or duty afforded them under the Contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach there under, except as may be specifically agreed in writing.

§ 13.5 TESTS AND INSPECTIONS

§ 13.5.1 Tests, inspections and approvals of portions of the Work shall be made as required by the Contract Documents and by applicable laws, statutes, ordinances, codes, rules and regulations or lawful orders of public authorities. Unless otherwise provided, the Contractor shall make arrangements for such tests, inspections and approvals with an independent testing laboratory or entity acceptable to the Owner, or with the appropriate public authority, and shall bear all related costs of tests, inspections and approvals. The Contractor shall give the Architect timely notice of when and where tests and inspections are to be made so that the Architect may be present for such procedures. Architect, Owner and Contractor shall be afforded a reasonable opportunity to attend, observe, and witness all inspections and tests of the Work. Architect or Owner may at any time request and receive from Contractor satisfactory evidence that materials, supplies, or equipment are in conformance with the Contract Documents. The conduct of any inspection or test and the receipt of any approval shall not operate to relieve Contractor from its obligations under the Contract Documents unless specifically so stated by Owner in writing.

§ 13.5.2 If the Architect, Owner or public authorities having jurisdiction determine that portions of the Work require additional testing, inspection or approval not included under Section 13.5.1, the Architect will, upon written authorization from the Owner, instruct the Contractor to make arrangements for such additional testing, inspection or approval by an entity acceptable to the Owner, and the Contractor shall give timely notice to the Architect of when and where tests and inspections are to be made so that the Architect may be present for such procedures.

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

§ 13.5.3 If such procedures for testing, inspection or approval under Sections 13.5.1 and 13.5.2 reveal failure of the portions of the Work to comply with requirements established by the Contract Documents, or reveal faulty or otherwise defective Work, or if the necessity of any such testing, inspection, or approval procedures arises out of the fault, neglect, or omission of Contractor, Contractor shall bear all costs of such testing, inspection, and approval procedures and all other costs made necessary by Contractor's failures, including, without limitation, those costs of repeated and additional procedures and compensation for Architect's services and expenses of Owner's personnel and consultant fees and expenses. Such costs shall be paid by Contractor within ten (10) days of receipt of invoice from Owner with supporting data attached.

§ 13.5.4 Required certificates of testing, inspection or approval shall, be secured by the Contractor and delivered to Owner, unless such testing or inspection services are arranged by Owner.

§ 13.5.5 If the Architect is to observe tests, inspections or approvals required by the Contract Documents, the Architect will do so promptly and, where practicable, at the normal place of testing.

§ 13.5.6 Tests or inspections conducted pursuant to the Contract Documents shall be made promptly to avoid unreasonable delay in the Work.

§ 13.6 INTEREST

An overdue payment bears interest at the rate of one percent (1%) each month, or at the legal rate established by the Texas Government Code, currently in Section 2251.025. Any such payment shall be deemed overdue on the thirty-first (31st) day after Owner receives an invoice from Contractor.

§ 13.7 TIME LIMITS ON CLAIMS

The Owner and Contractor shall commence all claims and causes of action, whether in contract, tort, breach of warranty or otherwise, against the other arising out of or related to the Contract within the time period specified by applicable law.

§ 13.8 EQUAL OPPORTUNITY

§ 13.8.1 The Contractor shall maintain policies of employment as follows: "The Contractor and the Contractor's Subcontractors shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, or national origin. Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, religion, color, sex, or national origin. Such action shall include, but not be limited to, the following: employment, promotion, demotion, or transfer; recruitment, or recruitment advertising; lay-off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants, notices setting forth the nondiscrimination policies."

§13.8.1.1 The Contractor and the Contractor's Subcontractors shall, in all solicitations or advertisements for employees placed by them or on their behalf; state that all qualified applicants will receive consideration for employment with regard to race, religion, color, sex, or national origin.

§13.9 CERTIFICATION OF ASBESTOS-FREE PROJECT

§13.9.1 Contractor shall submit to the Architect a letter addressed to the Owner certifying that all materials used in the construction of this Project contain less than 0.10 by weight of asbestos and for which it can be demonstrated that, under reasonably foreseeable job site conditions, will not release asbestos fibers in excess of 0.1 fibers per cubic centimeter. Certification letters shall be dated, shall reference this specific Project, and shall be signed by not less than two (2) officers of the construction company.

§13.9.2 Certification shall further state that should asbestos fibers be found at this Project in concentrations greater than 0.1 fibers per cubic centimeter, that Contractor shall be responsible for determining which materials contain asbestos fibers and shall take corrective action to remove those materials from the Project at no additional cost to the Owner.

§13.9.3 Final payment shall not be made until this letter of certification has been received.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

ARTICLE 14 TERMINATION OR SUSPENSION OF THE CONTRACT

§ 14.1 TERMINATION BY THE CONTRACTOR

§ 14.1.1 The Contractor may terminate the Contract if the Work is stopped for a period of 30 consecutive days through no act or fault of the Contractor or a Subcontractor, Sub-subcontractor or their agents or employees or any other persons or entities performing portions of the Work under direct or indirect contract with the Contractor, for any of the following reasons:

.1 Issuance of an order of a court or other public authority having jurisdiction that requires all Work to be stopped; or

.2 An act of government, such as a declaration of national emergency that requires all Work to be stopped;

(Paragraphs deleted)

§ 14.1.2 The Contractor may terminate the Contract if, through no act or fault of the Contractor or a Subcontractor, Sub-subcontractor or their agents or employees or any other persons or entities performing portions of the Work under direct or indirect contract with the Contractor, repeated suspensions, delays or interruptions of the entire Work by the Owner as described in Section 14.3 constitute in the aggregate more than 100 percent of the total number of days scheduled for completion, or 120 days in any 365-day period, whichever is less.

§ 14.1.3 If one of the reasons described in Section 14.1.1 or 14.1.2 exists, the Contractor may, upon seven days' written notice to the Owner and Architect, terminate the Contract and recover from the Owner payment for Work properly executed in accordance with the Contract Documents.

§ 14.1.4 Owner shall not be responsible for damages for loss of anticipated profits on Work not performed on account of any termination described in Subparagraphs 14.1.1 and 14.1.2.

§ 14.2 TERMINATION BY THE OWNER FOR CAUSE

§ 14.2.1 The Owner may terminate the Contract if the Contractor

.1 refuses or fails to supply enough properly skilled workers or proper materials and equipment;

.2 fails to make payment to Subcontractors for materials or labor in accordance with the respective agreements between the Contractor and the Subcontractors;

.3 disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority;

.4 disregards the instructions of Architect or Owner (when such instructions are based on the requirements of the Contract Documents);

.5 is adjudged bankrupt or insolvent, or makes a general assignment for the benefit of Contractor's creditors, or a trustee or receiver is appointed for Contractor or for any of its property, or files a petition to take advantage of any debtor's act, or to reorganize under bankruptcy or similar law; or

.6 otherwise does not fully comply with the Contract Documents.

§ 14.2.2 When any of the above reasons exist, the Owner, may without prejudice to any other rights or remedies of the Owner and after giving the Contractor and the Contractor's surety, if any, seven days' written notice, terminate employment of the Contractor and may, subject to any prior rights of the surety:

.1 Exclude the Contractor from the site and take possession of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Contractor;

.2 Accept assignment of subcontracts pursuant to Section 5.4; and

.3 Finish the Work by whatever reasonable method the Owner may deem expedient. Upon written request of the Contractor, the Owner shall furnish to the Contractor a detailed accounting of the costs incurred by the Owner in finishing the Work.

§ 14.2.3 When the Owner terminates the Contract for one of the reasons stated in Section 14.2.1, the Contractor shall not be entitled to receive further payment until the Work is finished.

§ 14.2.4 To the extent the costs of completing Work, including compensation for additional professional services and expenses, exceed those costs that would have been payable to Contractor to complete the Work except for Contractor's default, Contractor will pay the difference to Owner, and this obligation for payment shall survive termination of the Contract. Such costs incurred by Owner will be determined by Owner and confirmed by Architect.

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

§14.2.5 In addition to Owner's right to remove Contractor from any part of Work pursuant to the Contract Documents, Owner may, at any time, at will and without cause, terminate any part of Work or any subcontract or all remaining Work for any reason whatsoever by giving seven (7) days' prior written notice to Contractor specifying the part of Work or subcontract to be terminated and the effective date of termination. Contractor shall continue to prosecute the part of Work not terminated. If any part of Work or subcontract is so terminated, Contractor shall be entitled to payment for Work properly executed in accordance with the Contract Documents (the basis for such payment shall be as provided in the Contract) and for costs directly related to Work thereafter performed by Contractor in terminating such Work or subcontract including reasonable demobilization and cancellation charges provided said Work is authorized in advance by Architect and Owner. No payment shall be made by Owner, however, to the extent that such Work or subcontract is, was, or could have been terminated under the Contract Documents or an equitable adjustment is made or denied under another provision of the Contract. In case of such termination, Owner will issue a Construction Change Directive or authorize a Change Order making any required adjustment to the Date of Substantial Completion and/or the Contract Sum. For the remainder of the Work, the Contract Documents shall remain in full force and effect.

§14.2.6 Owner shall not be responsible for damages for loss of anticipated profits on Work not performed on account of any termination described in Subparagraph 14.2.5.

§14.2.7 Upon a determination by a court of competent jurisdiction that termination of Contractor pursuant to Subparagraph 14.2.1 was wrongful, such termination will be deemed converted to a termination for convenience pursuant to Subparagraph 14.2.5 and Contractor's remedy for wrongful termination shall be limited to the recovery of the payments permitted for termination for convenience as set forth in Subparagraph 14.2.5

§ 14.3 SUSPENSION BY THE OWNER FOR CONVENIENCE

§ 14.3.1 The Owner may, without cause, order the Contractor in writing to suspend, delay or interrupt the Work in whole or in part for such period of time as the Owner may determine.

§ 14.3.2 The Contract Sum and Contract Time shall be adjusted for increases in the cost and time caused by suspension, delay or interruption as described in Section 14.3.1. Adjustment of the Contract Sum shall include profit. No adjustment shall be made to the extent

.1 that performance is, was or would have been so suspended, delayed or interrupted by another cause for which the Contractor is responsible; or

.2 that an equitable adjustment is made or denied under another provision of the Contract.

§ 14.4 TERMINATION BY THE OWNER FOR CONVENIENCE

§ 14.4.1 The Owner may, at any time, terminate the Contract for the Owner's convenience and without cause.

§ 14.4.2 Upon receipt of written notice from the Owner of such termination for the Owner's convenience, the Contractor shall

.1 cease operations as directed by the Owner in the notice;

.2 take actions necessary, or that the Owner may direct, for the protection and preservation of the Work; and

.3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

§ 14.4.3 In case of such termination for the Owner's convenience, the Contractor shall be entitled to receive payment for Work executed, and costs incurred by reason of such termination, along with reasonable overhead and profit on the Work not executed.

ARTICLE 15 CLAIMS AND DISPUTES

§ 15.1 CLAIMS

§ 15.1.1 DEFINITION

A Claim is a demand or assertion by one of the parties seeking, as a matter of right adjustment or interpretation of the Contract Terms, payment of money, extension of time, or other relief with respect to the terms of the Contract. The term "Claim" also includes other disputes and matters in question between the Owner and Contractor arising out of or

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

relating to the Contract. The responsibility to substantiate Claims shall rest with the party making the Claim. Claims must be by written notice.

§ 15.1.2 NOTICE OF CLAIMS

Claims by either the Owner or Contractor must be initiated by written notice to the other party and to the Initial Decision Maker with a copy sent to the Architect, if the Architect is not serving as the Initial Decision Maker. Claims by either party must be initiated within 21 days after occurrence of the event giving rise to such Claim or within 21 days after the claimant first recognizes the condition giving rise to the Claim, whichever is later. Said written notice of claims shall state specifically the reason for the claim, the date or dates of the cause or causes of the claim, and if any extension of time is requested, the number of days of extension requested.

§ 15.1.3 CONTINUING CONTRACT PERFORMANCE

Pending final resolution of a Claim, except as otherwise agreed in writing or as provided in Section 9.7 and Article 14, the Contractor shall proceed diligently with performance of the Contract and the Owner shall continue to make payments in accordance with the Contract Documents. The Architect will prepare Change Orders and issue Certificates for Payment in accordance with the decisions of the Initial Decision Maker.

§ 15.1.4 CLAIMS FOR ADDITIONAL COST

If the Contractor wishes to make a Claim for an increase in the Contract Sum, written notice as provided herein shall be given before proceeding to execute the Work. Said notice shall itemize all claims and shall contain sufficient detail and substantiating data to permit evaluation of same by Owner and Architect. No such claim shall be value unless so made. Prior notice is not required for Claims relating to an emergency endangering life or property arising under Section 10.4.

§ 15.1.5 CLAIMS FOR ADDITIONAL TIME

§ 15.1.5.1 If the Contractor wishes to make a Claim for an increase in the Contract Time, written notice as provided herein shall be given. The Contractor's Claim shall include an estimate of cost and of probable effect of delay on progress of the Work. In the case of a continuing delay, only one Claim is necessary.

§ 15.1.5.2 If adverse weather conditions are the basis for a Claim for additional time, such Claim shall be documented by data substantiating that weather conditions were abnormal for the period of time, could not have been reasonably anticipated and had an adverse effect on the scheduled construction. Extensions of time may be requested for any month of construction for days lost due to adverse weather in excess of the normally expected lost time; provided, however, if Architect determines that the seasonal average of adverse weather days during construction is less than would be normally expected, no Change Order shall be issued and the request for extension of time shall be denied.

§ 15.1.6 CLAIMS FOR CONSEQUENTIAL DAMAGES

(Paragraph deleted)

Contractor shall not be entitled to claims for additional time and/or increase in Contract Price due to a problem or non-performance of a subcontractor.

§ 15.1.7 In the event the Contractor fails to achieve substantial completion by the date indicated in the Contract, and extended by approved Change Order, the Owner shall be entitled to liquidated damages in the amount as stated in Article 3 of the AIA document A 101 – 2007 Edition, as modified by the Owner, by and between Owner and Contractor dated of even date herewith per day until the Work is substantially completed. It is expressly understood that the said sum per day is agreed upon as a fair estimate of the pecuniary damages, which will be sustained by Owner in the event that the Work is not completed within the agreed time, or within the legally extended time, if any. Said sum shall be considered as liquidated damages only, the exact ascertainment of which is difficult and in no sense be considered a penalty.

This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination in accordance with Article 14. Nothing contained in this Section 15.1.6 shall be deemed to preclude an award of liquidated damages, when applicable, in accordance with the requirements of the Contract Documents.

§ 15.2 INITIAL DECISION

§ 15.2.1 Claims, excluding those arising under Sections 10.3, 10.4, 11.3.9, and 11.3.10, shall be referred to the Initial Decision Maker for initial decision. The Architect will serve as the Initial Decision Maker, unless otherwise indicated

Init.

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

in the Agreement. Except for those Claims excluded by this Section 15.2.1, an initial decision shall be required as a condition precedent to mediation of any Claim arising prior to the date final payment is due, unless 30 days have passed after the Claim has been referred to the Initial Decision Maker with no decision having been rendered. Unless the Initial Decision Maker and all affected parties agree, the Initial Decision Maker will not decide disputes between the Contractor and persons or entities other than the Owner.

§ 15.2.2 The Initial Decision Maker will review Claims and within ten days of the receipt of a Claim take one or more of the following actions: (1) request additional supporting data from the claimant or a response with supporting data from the other party, (2) reject the Claim in whole or in part, (3) approve the Claim in whole or in part, (4) suggest a compromise, or (5) advise the parties that the Initial Decision Maker is unable to resolve the Claim if the Initial Decision Maker lacks sufficient information to evaluate the merits of the Claim or if the Initial Decision Maker concludes that, in the Initial Decision Maker's sole discretion, it would be inappropriate for the Initial Decision Maker to resolve the Claim.

§ 15.2.3 In evaluating Claims, the Initial Decision Maker may, but shall not be obligated to, consult with or seek information from either party or from persons with special knowledge or expertise who may assist the Initial Decision Maker in rendering a decision. The Initial Decision Maker may request the Owner to authorize retention of such persons at the Owner's expense.

§ 15.2.4 If the Initial Decision Maker requests a party to provide a response to a Claim or to furnish additional supporting data, such party shall respond, within ten days after receipt of such request, and shall either (1) provide a response on the requested supporting data, (2) advise the Initial Decision Maker when the response or supporting data will be furnished or (3) advise the Initial Decision Maker that no supporting data will be furnished. Upon receipt of the response or supporting data, if any, the Initial Decision Maker will either reject or approve the Claim in whole or in part.

§ 15.2.5 The Initial Decision Maker will render an initial decision approving or rejecting the Claim, or indicating that the Initial Decision Maker is unable to resolve the Claim. This initial decision shall (1) be in writing; (2) state the reasons therefor; and (3) notify the parties and the Architect, if the Architect is not serving as the Initial Decision Maker, of any change in the Contract Sum or Contract Time or both. The initial decision shall be final and binding on the parties but subject to mediation and, if the parties fail to resolve their dispute through mediation, to litigation.

§ 15.2.6 DELETED.

§ 15.2.6.1 DELETED.

§ 15.2.7 In the event of a Claim against the Contractor, the Owner may, but is not obligated to, notify the surety, if any, of the nature and amount of the Claim. If the Claim relates to a possibility of a Contractor's default, the Owner may, but is not obligated to, notify the surety and request the surety's assistance in resolving the controversy.

§ 15.2.8 DELETED.

§ 15.3 MEDIATION

§ 15.3.1 Claims, disputes, or other matters in controversy arising out of or related to the Contract may be subject to mediation as a condition precedent to litigation.

§ 15.3.2 The parties shall endeavor to resolve their Claims by mediation. A request for mediation shall be made in writing, delivered to the other party to the Contract, and filed with the person or entity administering the mediation.

§ 15.3.3 The parties shall share the mediator's fee. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 15.4 ARBITRATION

The parties expressly agree that disputes or claims arising under the Contract Documents shall not be subject to arbitration unless mutually agreed by the parties in writing.

Init.
/

AIA Document A201™ – 2007. Copyright © 1911, 1915, 1918, 1925, 1937, 1951, 1958, 1961, 1963, 1966, 1970, 1976, 1987, 1997 and 2007 by The American Institute of Architects. All rights reserved. WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law. This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes:
(959998329)

Certification of Document's Authenticity

AIA® Document D401™ – 2003

I, Hidalgo County Judge Ramon Garcia, hereby certify, to the best of my knowledge, information and belief, that I created the attached final document simultaneously with its associated Additions and Deletions Report and this certification at 16:56:15 on 07/20/2012 under Order No. 1180968477_1 from AIA Contract Documents software and that in preparing the attached final document I made no changes to the original text of AIA® Document A201™ – 2007, General Conditions of the Contract for Construction, as published by the AIA in its software, other than those additions and deletions shown in the associated Additions and Deletions Report.

Approved by Commissioners' Court
on 7/24/12 RO

(Signed)

County Judge
(Title)

8-22-12
(Dated)

AIA Document D401™ – 2003. Copyright © 1992 and 2003 by The American Institute of Architects. **All rights reserved.** **WARNING: This AIA® Document is protected by U.S. Copyright Law and International Treaties. Unauthorized reproduction or distribution of this AIA® Document, or any portion of it, may result in severe civil and criminal penalties, and will be prosecuted to the maximum extent possible under the law.** This document was produced by AIA software at 16:56:15 on 07/20/2012 under Order No.1180968477_1 which expires on 03/20/2013, and is not for resale.
User Notes: (959998329)

HOLCLLC-01 DEBORAHDEHA

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
8/21/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER IBC Insurance Agency, LTD P. O. Box 39790 San Antonio, TX 78218	CONTACT NAME: PHONE (A/C, No, Ext): (210) 646-9870 FAX (A/C, No): (210) 646-8418 E-MAIL ADDRESS:
	INSURER(S) AFFORDING COVERAGE — NAIC #
	INSURER A: Association Insurance Company — 11240
INSURED Holchemont, LLC Michael Montalvo 900 N Main McAllen, TX 78501	INSURER B: Peerless Indemnity INSURER C: Texas Mutual Insurance Company INSURER D: INSURER E: INSURER F:

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC			GLP012190100	3/7/2013	3/7/2014	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ $ $ $ $ $	1,000,000 100,000 5,000 1,000,000 2,000,000 2,000,000
B	AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS			BA8511392	9/25/2012	9/25/2013	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (PER ACCIDENT)	$ $ $ $	1,000,000
	UMBRELLA LIAB OCCUR EXCESS LIAB CLAIMS-MADE DED RETENTION $						EACH OCCURRENCE AGGREGATE	$ $	
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		SBP0001214543	7/28/2013	7/28/2014	X WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ $ $	1,000,000 1,000,000 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

County of Hidalgo
2802 S Business Hwy 281
Edinburg, TX 78539

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2010 ACORD CORPORATION. All rights reserved.

The ACORD name and logo are registered marks of ACORD

List of vehicles:

2012 Chev Silverado #9134
2008 Wells Cargo Trl #3285
1998 Techspace Trl #189T

Policy No. CPS1365419

COMMERCIAL GENERAL LIABILITY
CG 20 33 07 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - AUTOMATIC STATUS WHEN REQUIRED IN CONSTRUCTION AGREEMENT WITH YOU

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Section II - Who Is An Insured is amended to include as an additional insured any person or organization for whom you are performing operations when you and such person or organization have agreed in writing in a contract or agreement that such person or organization be added as an additional insured on your policy. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured.

A person's or organization's status as an additional insured under this endorsement ends when your operations for that additional insured are completed.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
   a. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
   b. Supervisory, inspection, architectural or engineering activities.
2. "Bodily injury" or "property damage" occurring after:
   a. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
   b. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

Copyright, ISO Properties, Inc., 2004

INSURED

OP ID: DD

EVIDENCE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY): 08/17/2012

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

AGENCY IBC Insurance Agency, LTD- SA P.O. Box 39790 San Antonio, TX 78218-6790 Chad Hainley	COMPANY American Zurich Insurance Co 1400 American Lane Schaumburg, IL 60196-1056
PHONE (A/C, No, Ext): 210-646-9870 FAX (A/C, No): 210-646-8418 E-MAIL ADDRESS: CODE: SUB CODE: AGENCY CUSTOMER ID #: HOLCH-1	
INSURED Holchemont, LLC Michael Montalvo 900 N Main McAllen, TX 78501	LOAN NUMBER POLICY NUMBER: BR71301859 EFFECTIVE DATE: 08/06/12 EXPIRATION DATE: 08/06/13 ☐ CONTINUED UNTIL TERMINATED IF CHECKED THIS REPLACES PRIOR EVIDENCE DATED:

PROPERTY INFORMATION

LOCATION/DESCRIPTION
1900 Joe Stephens Drive
Weslaco, TX 78596

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION

COVERAGE / PERILS / FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
Builders Risk Form		
Any One Building or Structure	724,000	1,000
All Covered Property at all Locations	724,000	
Property at a Temporary Storage Location	18,100	
Property in Transit	36,200	

REMARKS (Including Special Conditions)

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

NAME AND ADDRESS County of Hidalgo 2802 S. Business Hwy 281 Edinburg, TX 78539	☐ MORTGAGEE ☐ LOSS PAYEE ☒ ADDITIONAL INSURED LOAN # AUTHORIZED REPRESENTATIVE

ACORD 27 (2009/12)

© 1993-2009 ACORD CORPORATION. All rights reserved.
The ACORD name and logo are registered marks of ACORD

THE AMERICAN INSTITUTE OF ARCHITECTS

Bond No. PB11509800129

AIA Document A312

Performance Bond

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

CONTRACTOR (Name and Address):
HOLCHEMONT, LTD.
900 North Main Street
McAllen, TX 78501

SURETY (Name and Principal Place of Business):
Philadelphia Indemnity Insurance Company
One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004

OWNER (Name and Address):
County of Hidalgo
2812 South Business Highway 281
Edinburg, TX 78539

CONSTRUCTION CONTRACT
Date: **7/24/2012**
Amount: **SEVEN HUNDRED TWENTY FOUR THOUSAND AND 00/100 DOLLARS ($724,000.00)**
Description (Name and Location): **Bid No: 2012-028-05-09-MSS Hidalgo County - Construction of New Constable Precinct No. 1 Offices**

BOND
Date (Not earlier than Construction Contract Date): **July 24, 2012**
Amount: **SEVEN HUNDRED TWENTY FOUR THOUSAND AND 00/100 DOLLARS ($724,000.00)**
Modifications to this Bond: [☒] None [☐] See Page 3

CONTRACTOR AS PRINCIPAL
COMPANY: **HOLCHEMONT, LTD.** (Corporate Seal)

Signature: _____
Name and Title:

SURETY COMPANY:
Philadelphia Indemnity Insurance Company (Corporate Seal)

Signature: _____
Name and Title: **Tom Young, Attorney-in-Fact**

(Any additional signatures appear on page 3)

FOR INFORMATION ONLY-Name, Address and Telephone
AGENT OR BROKER:
Contract Bond Agency
P.O. Box 100096
Fort Worth, Texas 76185-0096
817-731-2568

OWNER'S REPRESENTATIVE (Architect, Engineer or other party):
Alcocer Garcia & Associates, Inc.
1333 East Jasmine Avenue
McAllen, TX 78501

THE RIDER ATTACHED HERETO IS INCORPORATED IN THIS BOND AND CONTAINS IMPORTANT COVERAGE INFORMATION

AIA DOCUMENT A312 PERFORMANCE BOND AND PAYMENT BOND DECEMBER 1984 ED., AIA ®
THE AMERICAN INSTITUTE OF ARCHITECTS, 1735 NEW YORK AVE., N.W., WASHINGTON D.C. 20006
THIRD PRINTING - MARCH 1987

1. The Contractor and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner for the performance of the Construction Contract, which is incorporated herein by reference.

2. If the Contractor performs the Construction Contract, the Surety and the Contractor shall have no obligation under this Bond, except to participate in conferences as provided in Subparagraph 3.1.

3. If there is no Owner Default, the Surety's obligation under this Bond shall arise after:

3.1 The Owner has notified the Contractor and the Surety at its address described in Paragraph 10 below that the Owner is considering declaring a Contractor Default and has requested and attempted to arrange a conference with the Contractor and the Surety to be held not later than fifteen days after receipt of such notice to discuss methods of performing the Construction Contract. If the Owner, the Contractor and the Surety agree, the Contractor shall be allowed a reasonable time to perform the Construction Contract, but such an agreement shall not waive the Owner's right, if any, subsequently to declare a Contractor Default; and

3.2 The Owner has declared a Contractor Default and formally terminated the Contractor's right to complete the contract. Such Contractor Default shall not be declared earlier than twenty days after the Contractor and the Surety have received notice as provided in Subparagraph 3.1; and

3.3 The Owner has agreed to pay the Balance of the Contract Price to the Surety in accordance with the terms of the Construction Contract or to a contractor selected to perform the Construction Contract in accordance with the terms of the contract with the Owner.

4. When the Owner has satisfied the conditions of Paragraph 3, the Surety shall promptly and at the Surety's expense take one of the following actions:

4.1 Arrange for the Contractor, with consent of the Owner, to perform and complete the Construction Contract; or

4.2 Undertake to perform and complete the Construction Contract itself, through its agents or through independent contractors; or

4.3 Obtain bids or negotiated proposals from qualified contractors acceptable to the Owner for a contract for performance and completion of the Construction Contract, arrange for a contract to be prepared for execution by the Owner and the contractor selected with the Owner's concurrence, to be secured with performance and payment bonds executed by a qualified surety equivalent to the bonds issued on the Construction Contract, and pay to the Owner the amount of damages as described in Paragraph 6 in excess of the Balance of the Contract Price incurred by the Owner resulting from the Contractor's default; or

4.4 Waive its rights to perform and complete, arrange for completion, or obtain a new contractor and with reasonable promptness under the circumstances:

1. After investigation, determine the amount for which it may be liable to the Owner and, as soon as practicable after the amount is determined, tender payment therefor to the Owner; or

2. Deny liability in whole or in part and notify the Owner citing reasons therefor.

5. If the Surety does not proceed as provided in Paragraph 4 with reasonable promptness, the Surety shall be deemed to be in default on this Bond fifteen days after receipt of an additional written notice from the Owner to the Surety demanding that the Surety perform its obligations under this Bond, and the Owner shall be entitled to enforce any remedy available to the Owner. If the Surety proceeds as provided in Subparagraph 4.4, and the Owner refuses the payment tendered or the Surety has denied liability, in whole or in part, without further notice the Owner shall be entitled to enforce any remedy available to the Owner.

6. After the Owner has terminated the Contractor's right to complete the Construction Contract, and if the Surety elects to act under Subparagraph 4.1, 4.2, or 4.3 above, then the responsibilities of the Surety to the Owner shall not be greater than those of the Contractor under the Construction Contract, and the responsibilities of the Owner to the Surety shall not be greater than those of the Owner under the Construction Contract. To the limit of the amount of this Bond, but subject to commitment by the Owner of the Balance of the Contract Price to mitigation of costs and damages on the Construction Contract, the Surety is obligated without duplication for:

6.1 The responsibilities of the Contractor for correction of defective work and completion of the Construction Contract;

6.2 Additional legal, design professional and delay costs resulting from the Contractor's Default, and resulting from the actions or failure to act of the Surety under Paragraph 4; and

6.3 Liquidated damages, or if no liquidated damages are specified in the Construction Contract, actual damages caused by delayed performance or non-performance of the Contractor.

7. The Surety shall not be liable to the Owner or others for obligations of the Contractor that are unrelated to the Construction Contract, and the Balance of the Contract Price shall not be reduced or set off on account of any such unrelated obligations. No right of action shall accrue on this Bond to any person or entity other than the Owner or its heirs, executors, administrators, or successors.

8. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.

9. Any proceeding, legal or equitable, under this Bond may be instituted in any court of competent jurisdiction in the location in which the work or part of the work is located and shall be instituted within two years after Contractor Default or within two years after the Contractor ceased working or within two years after the Surety refuses or fails to perform its obligations under this Bond, whichever occurs first. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available

THE RIDER ATTACHED HERETO IS INCORPORATED IN THIS BOND AND CONTAINS IMPORTANT COVERAGE INFORMATION

to sureties as a defense in the jurisdiction of the suit shall be applicable.

10. Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page.

11. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted here from and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

12 DEFINITIONS

12.1 Balance of the Contract Price: The total amount payable by the Owner to the Contractor under the Construction Contract after all proper adjustments have been made, including allowance to the Contractor of any amounts received or to be received by the Owner in settlement of insurance or other claims for damages to which the Contractor is entitled, reduced by all valid and proper payments made to or on behalf of the Contractor under the Construction Contract.

12.2 Construction Contract: The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.

12.3 Contractor Default: Failure of the Contractor, which has neither been remedied nor waived, to perform or otherwise to comply with the terms of the Construction Contract.

12.4 Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL		SURETY	
Company:	(Corporate Seal)	Company:	(Corporate Seal)
Signature:_____		Signature: _____	
Name and Title:		Name and Title:	
Address:		Address:	

THE RIDER ATTACHED HERETO IS INCORPORATED IN THIS BOND AND CONTAINS IMPORTANT COVERAGE INFORMATION

AIA DOCUMENT A312 PERFORMANCE BOND AND PAYMENT BOND DECEMBER 1984 ED., AIA ®
THE AMERICAN INSTITUTE OF ARCHITECTS, 1735 NEW YORK AVE., N.W., WASHINGTON D.C. 20006
THIRD PRINTING - MARCH 1987

THE AMERICAN INSTITUTE OF ARCHITECTS

Bond No. PB11509800129

AIA Document A312

Payment Bond

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

CONTRACTOR (Name and Address):
HOLCHEMONT, LTD.
900 North Main Street
McAllen, TX 78501

SURETY (Name and Principal Place of Business):
Philadelphia Indemnity Insurance Company
One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004

OWNER (Name and Address):
County of Hidalgo
2812 South Business Highway 281
Edinburg, TX 78539

CONSTRUCTION CONTRACT
Date: **7/24/2012**
Amount: **SEVEN HUNDRED TWENTY FOUR THOUSAND AND 00/100 DOLLARS ($724,000.00)**
Description (Name and Location): **Bid No: 2012-028-05-09-MSS Hidalgo County - Construction of New Constable Precinct No. 1 Offices**

BOND
Date (Not earlier than Construction Contract Date): **July 24, 2012**
Amount: **SEVEN HUNDRED TWENTY FOUR THOUSAND AND 00/100 DOLLARS ($724,000.00)**
Modifications to this Bond: [☒] None [☐] See Page 6

CONTRACTOR AS PRINCIPAL
COMPANY: **HOLCHEMONT, LTD.** (Corporate Seal)

Signature: _____
Name and Title:

SURETY COMPANY:
Philadelphia Indemnity Insurance Company (Corporate Seal)

Signature: _____
Name and Title: **Tom Young, Attorney-in-Fact**

(Any additional signatures appear on page 6)

FOR INFORMATION ONLY-Name, Address and Telephone
AGENT OR BROKER:
Contract Bond Agency
P.O. Box 100096
Fort Worth, Texas 76185-0096
817-731-2568

OWNER'S REPRESENTATIVE (Architect, Engineer or other party):
Alcocer Garcia & Associates, Inc.
1333 East Jasmine Avenue
McAllen, TX 78501

THE RIDER ATTACHED HERETO IS INCORPORATED IN THIS BOND AND CONTAINS IMPORTANT COVERAGE INFORMATION

AIA DOCUMENT A312 PERFORMANCE BOND AND PAYMENT BOND DECEMBER 1984 ED., AIA ®
THE AMERICAN INSTITUTE OF ARCHITECTS, 1735 NEW YORK AVE., N.W., WASHINGTON D.C. 20006
THIRD PRINTING - MARCH 1987

1. The Contractor and the Surety, jointly and severally, bind themselves, their heirs, executors, administrators, successors, and assigns to the Owner to pay for labor, materials and equipment furnished for use in the performance of the Construction Contract, which is incorporated herein by reference.
2. With respect to the Owner, this obligation shall be null and void if the Contractor:
2.1 Promptly makes payment, directly, or indirectly, for all sums due Claimants, and

2.2 Defends, indemnifies and holds harmless the Owner from claims, demands, liens or suits by any person or entity whose claim, demand, lien or suit is for the payment for labor, materials, or equipment furnished for use in the performance of the Construction Contract, provided the Owner has promptly notified the Contractor and the Surety (at the address described in Paragraph 12) of any claims, demands, liens, or suits and tendered defense of such claims, demands, liens or suits to the Contractor and the Surety, and provided there is no Owner Default.
3. With respect to Claimants, this obligation shall be null and void if the Contractor promptly makes payment, directly or indirectly, for all sums due.

4. The Surety shall have no obligation to Claimants under this Bond until:
4.1 Claimants who are employed by or have a direct contract with the Contractor have given notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the Owner, stating that a claim is being made under this Bond and, with substantial accuracy, the amount of the claim.
4.2 Claimants who do not have a direct contract with the Contractor:
.1 Have furnished written notice to the Contractor and sent a copy, or notice thereof, to the Owner, within 90 days after having last performed labor or last furnished materials or equipment included in the claim stating, with substantial accuracy, the amount of the claim and the name of the party to whom the materials were furnished or supplied or for whom the labor was done or performed; and
.2 Have either received a rejection in whole or in part from the Contractor, or not received within 30 days of furnishing the above notice any communication from the Contractor by which the Contractor has indicated the claim will be paid directly or indirectly; and
.3 Not having been paid within the above 30 days, have sent a written notice to the Surety (at the address described in Paragraph 12) and sent a copy, or notice thereof, to the Owner, stating that a claim is being made under this Bond and enclosing a copy of the previous written notice furnished to the Contractor.

5. If a notice required by Paragraph 4 is given by the Owner to the Contractor or to the Surety, that is sufficient compliance.

6. When the Claimant has satisfied the conditions of Paragraph 4, the Surety shall promptly and at the Surety's expense take the following actions:
6.1 Send an answer to the Claimant, with a copy to the Owner, within 45 days after receipt of the claim, stating the amounts that are undisputed and the basis for challenging any amounts that are disputed.
6.2 Pay or arrange for payment of any undisputed amounts.

7. The Surety's total obligation shall not exceed the amount of this Bond, and the amount of this Bond shall be credited for any payments made in good faith by the Surety.
8. Amounts owed by the Owner to the Contractor under the Construction Contract shall be used for the performance of the Construction Contract and to satisfy claims, if any, under any Construction Performance Bond. By the Contractor furnishing and the Owner accepting this Bond, they agree that all funds earned by the Contractor in the performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and the Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.
9. The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for payment of any costs or expenses of any Claimant under this Bond, and shall have under this Bond no obligations to make payments to, give notices on behalf of, or otherwise have obligations to Claimants under this Bond.
10. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.
11. No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the location in which the work or part of the work is located or after the expiration of one year from the date (1) on which the Claimant gave the notice required by

Subparagraph 4.1 or Clause 4.2.3, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
12. Notice to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the signature page. Actual receipt of notice by Surety, the Owner or the Contractor, however accomplished, shall be sufficient compliance as of the date received at the address shown on the signature page.
13. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. The intent is that this

THE RIDER ATTACHED HERETO IS INCORPORATED IN THIS BOND AND CONTAINS IMPORTANT COVERAGE INFORMATION

AIA DOCUMENT A312 PERFORMANCE BOND AND PAYMENT BOND DECEMBER 1984 ED., AIA ®
THE AMERICAN INSTITUTE OF ARCHITECTS, 1735 NEW YORK AVE., N.W., WASHINGTON D.C. 20006
THIRD PRINTING - MARCH 1987

Bond shall be construed as a statutory bond and not as a common law bond.

14. Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor shall promptly furnish a copy of this Bond or shall permit a copy to be made.

15. DEFINITIONS

15.1 Claimant: An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Contract. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

15.2 Construction Contract: The agreement between the Owner and the Contractor identified on the signature page, including all Contract Documents and changes thereto.

15.3 Owner Default: Failure of the Owner, which has neither been remedied nor waived, to pay the Contractor as required by the Construction Contract or to perform and complete or comply with the other terms thereof.

MODIFICATIONS TO THIS BOND ARE AS FOLLOWS:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL		SURETY COMPANY:	
COMPANY:	(Corporate Seal)		(Corporate Seal)
Signature: _____		Signature: _____	
Name and Title:		Name and Title:	
Address:		Address:	

THE RIDER ATTACHED HERETO IS INCORPORATED IN THIS BOND AND CONTAINS IMPORTANT COVERAGE INFORMATION

AIA DOCUMENT A312 PERFORMANCE BOND AND PAYMENT BOND DECEMBER 1984 ED., AIA ®
THE AMERICAN INSTITUTE OF ARCHITECTS, 1735 NEW YORK AVE., N.W., WASHINGTON D.C. 20006
THIRD PRINTING - MARCH 1987

It is understood and agreed that this Bond is amended by the following:

1. Amend paragraphs 4.1 and 4.2.3 by adding at the end of each paragraph "and furnished to Surety an explanation of the claim and copies of documents on which the Claimant relies to support the claim."

2. Amend paragraph 5 by changing "or" to "and".

3. Paragraph 6 is deleted and replaced with:

> 6. When the Claimant has satisfied the conditions of paragraph 4 and has submitted any additional supporting documentation, and any sworn proof of claim, requested by the Surety, the Surety shall within 45 days respond to the Claimant and offer to pay or arrange for payment of any undisputed amount; provided, however, that the failure of the Surety to fully and/or timely discharge its obligations under this paragraph or to dispute or identify any specific defense to all or part of a claim shall not be deemed an admission of liability by the Surety or otherwise constitute a waiver of any rights or defenses the Contractor and/or Surety may have or acquire as to such claim, including, without limitation, any right to dispute such claim. In no event shall the Surety's liability to any Claimant under this Bond exceed the sum properly due such claimant.

Evangelina Garcia

From: Heather De La Garza [hdelagarza@atlashall.com]
Sent: Monday, April 09, 2012 9:57 AM
To: 'Evangelina Garcia'
Cc: martha.salazar@co.hidalgo.tx.us; Steve Crain
Subject: RE: AIA Agreements for Constable Bldg Pct. 1

Importance: High

Vangie,

These documents are approved as to form. I was on vacation last week, so I understand these agreements are now set for next week's agenda. If you need anything further please let me know.

Regards,
Heather

Heather De La Garza
Attorney
ATLAS, HALL & RODRIGUEZ, L.L.P.
818 Pecan (78501)
P.O. Box 3725
McAllen, Texas 78502
(956) 682-5501
(956) 686-6109 (fax)
www.atlashall.com

E-MAIL NOTICE - This transmission may be: (1) subject to the attorney-client privilege, (2) subject to the attorney work product exception, or 3) contain confidential information. If you are not the intended recipient of this message, you may not disclose, print, copy or disseminate this information. If you have received this e-mail in error, please reply and notify the sender (only) of your deletion of this message. An unauthorized interception of this e-mail is a violation of federal law.

This communication does not reflect an intention by the sender or the sender's client to conduct a transaction or make any agreement by electronic means. Nothing in this message or in any attachment shall satisfy the requirements for a writing, or constitute a contract.

From: Evangelina Garcia [mailto:evangelina.garcia@co.hidalgo.tx.us]
Sent: Thursday, April 05, 2012 1:30 PM
To: 'Heather De La Garza'
Subject: RE: AIA Agreements for Constable Bldg Pct. 1

Heather:
The above attached draft AIA are the final version pursuant to this last email that you sent me, therefore, the buyer in charge of this project has placed an agenda item back on court for approval for Tuesday, April 10, 2012, however the County's Auditor Office is requesting legal's approval of this draft AIA document. Can you please review the above as to form and remit your approval so as to attach to the agenda. They are holding the agenda so as to allow me in obtaining

PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

PHILADELPHIA INDEMNITY INSURANCE COMPANY
231 St. Asaph's Rd., Suite 100
Bala Cynwyd, PA 19004-0950
Power of Attorney

Bond No: PB11509800129

KNOW ALL PERSONS BY THESE PRESENTS: That **PHILADELPHIA INDEMNITY INSURANCE COMPANY** (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint: Tom Young, Fred A. Thetford, Jr., Trey Thetford, and Jared Young, **of** Contract Bond Agency.

Its true and lawful Attorney (s) in fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed $7,500,000.00.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY at a meeting duly called the 11th day of July, 2011.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company to: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER RESOLVED: That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and biding upon the Company in the future with the respect to any bond or undertaking to which it is attached.

IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEALTO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 18TH DAY OF JULY, 2011.

PHILADELPHIA INDEMNITY INSURANCE COMPANY CORPORATE SEAL 1927 PENNSYLVANIA

Christopher J. Maguire

President

Christopher J. Maguire
President Philadelphia Indemnity Insurance Company, a Pennsylvania Corporation.

On this 18TH day of July 2011, before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the **PHILADELPHIA INDEMNITY INSURANCE COMPANY**; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Kimberly A. Kessleski, Notary Public
Lower Merion Twp., Montgomery County
My Commission Expires Dec. 18, 2012
Member, Pennsylvania Association of Notaries

Notary Public

I, Craig P. Keller, Executive Vice President, Chief Financial Officer and Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do herby certify that the foregoing resolution of the Board of Directors and this Power of Attorney issued pursuant thereto on this 18TH day of July 2011are true and correct and are still in full force and effect. I do further certify that Christopher J. Maguire, who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY,

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 24th day of July 2012.

Craig P. Keller
Executive Vice President, Chief Financial Officer & Secretary
PHILADELPHIA INDEMNITY INSURANCE COMPANY

IMPORTANT NOTICE

To obtain information or make a complaint: You may calf the Surety's toll free telephone number for information or to make a complaint at:

1-877-438-7459

You may also write Philadelphia Indemnity Insurance Company at:

One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004
Attention: Senior Vice President and Director of Surety

You may contact the Texas Department of Insurance to obtain information on companies, coverage, rights or complaints at:

1-800-252-3439.

You may write the Texas Department of Insurance at:

P.O. Box 149104
Austin, TX 78714-9104
Fax# 512-475-1771
Web: http://www.tdi.state.tx.us
Email: ConsumerProtection@tdi.state.tx.us

PREMIUM OR CLAIM DISPUTES: Should you have a dispute concerning your premium or about a claim, you should contact the Surety first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY: This notice is for information only and does not become a part or condition of the attached document.

ADVISO IMPORTANTE

Para obener informacion o para someter una queja: Usted puede llamar al numero de telefono gratis de para informacion o para someter una queja al:

1-877-438-7459

Usted tanbien puede escribir a Philadelphia Indemnity Insurance Company at:

One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004
Attention: Senior Vice President and Director of Surety

Puede comunicarse con el Departamento de Seguros de Texas para obtener information acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departmento de Seguros de Texas:

P.O. Box 149104
Austin, TX 78714-9104
Fax# 512-475-1771
Web: http://www.tdi.state.tx.us
Email: ConsumerProtection@tdi.state.tx.us

DISPUTAS SOBRE PRIMAS 0 RECLAMOS: Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el Surety primero. Si no se resuelve la disputa, puede entonces comunicarrse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA: Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

FUNDS DISBURSING AGREEMENT

THIS FUNDS DISBURSING AGREEMENT is made as of this 20 day of July, 2012, (hereinafter "**Effective Date**"), by and between Holchemont Ltd, a Texas corporation, with a principal place of business located at 900 North Main Street McAllen, TX 78501 (hereinafter "**Contractor**"), and MAGUIRE INSURANCE AGENCY, INC., underwriting manager for Philadelphia Indemnity Insurance Company ("**PHLY**").

RECITALS

A. Contractor and County of Hidalgo ("**Obligee**") have entered into a construction and services contract for Hidalgo County New Constable Offices Precinct 1, (as the same may be modified, supplemented or amended from time to time, the "**Contract**") relating to that certain project (the "**Project**") described on the schedule attached hereto as **Exhibit A** (the "**Project Fact Sheet**").

B. Pursuant to the Contract, Contractor is required to obtain one or more surety bonds in order to secure Contractor's payment of subcontractors and/or performance under the Contract.

C. PHLY has agreed to issue that certain Payment Bond in the amount of $724,000.00, and that certain Performance Bond in the amount of $724,000.00, in favor of Obligee (the "**Bonds**") and as required by Obligee under the Contract.

D. In connection with its issuance of the Bonds, PHLY and Contractor are entering into this Agreement regarding the control and disbursement of all payments to be made by Obligee under the Contract.

NOW THEREFORE, in consideration of the foregoing premises and mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE 1 - DEFINITIONS

1.1 Definitions. The following terms as used in this Agreement shall have the following meanings:

"**Administrative Fee**" has the meaning given to such term in Section 5.3.

"**Agreement**" means this Funds Disbursing Agreement, as it may be amended or supplemented from time to time, together with all attachments, exhibits, schedules, riders and addenda, all of which are incorporated herein by this reference and made a part hereof.

"**Bonds**" has the meaning given to such term in the recitals to this Agreement.

"**Bond Documents**" means this Agreement, the Bonds, the Payment Direction Agreement, the Escrow Agreement, the General Indemnity Agreement (to the extent related to the Bonds) and all other agreements, instruments, certificates, requests, statements, disclosures and documents executed or delivered by any person or entity relating to any of the foregoing.

"**Contract**" has the meaning given to such term in the recitals to this Agreement.

"**Contract Amount**" means the aggregate amount payable to Contractor by Obligee under the Contract.

"**Contract Payment**" has the meaning given to such term in Section 2.2.

"**Disbursement Request**" has the meaning given to such term in Section 3.1.

"**Effective Date**" has the meaning given to such term in the introductory paragraph of this Agreement.

"**Escrow Account**" has the meaning given to such term in the Escrow Agreement.

"**Escrow Agent**" has the meaning given to such term in the Escrow Agreement.

"**Escrow Agreement**" has the meaning given to such term in Section 2.3.

"**Escrow Funds**" means the Contract Payments received by Escrow Agent from Obligee pursuant to the Payment Direction Agreement and held and disbursed by Escrow Agent pursuant to the Escrow Agreement.

"**General Indemnity Agreement**" has the meaning given to such term in Section 2.1.

"**Overhead**" means Contractor's actual out of pocket costs in connection with the Contract for administration, field office and home office costs, general management costs, required insurance, materials used in temporary structures, and other costs incidental to the performance of the Contract.

"**Obligee**" has the meaning set forth in the recitals to this Agreement.

"**Payment Direction Agreement**" has the meaning given to such term in Section

"**Profit**" means all amounts payable to Contractor under the Contract not allocable to the costs of construction or Overhead.

"**Project**" has the meaning set forth in the recitals to this Agreement.

"**Project Budget**" means the detailed budget for the Project prepared by Contractor and delivered to PHLY, as the same may be updated from time to time, and containing a schedule of amounts for categories of construction work on the Project under the Contract, including, without limitation, all costs and expenses for labor, materials, supplies, construction management, waste removal and other services, Overhead, Profit

and the other sums arising from the Project, together with any additions, supplements, change orders or other modification to the Contract.

"**Project Timeline**" means the timeline of all interim and final completion dates for each phase of the Project prepared by Contractor and delivered to PHLY, as the same may be amended and updated from time to time.

"**Release**" has the meaning given to such term in Section 3.1.

"**Reserve Amount**" has the meaning given to such term in Section 3.3 hereof.

"**Subcontractors**" means all subcontractors, suppliers and other parties with whom Contractor executes contracts with at any time regarding the Project, and any other person or entity that at any time performs work on, or supplies equipment or materials for, the Project that may otherwise obtain liens under the Contract or against the Project under applicable law, or to which PHLY may have any liability under any Bond.

"**Subcontracts**" means any oral or written agreement between Contractor and any Subcontractor relating to the Project.

"**Sworn Statement**" has the meaning given to such term in Section 4.1(g).

ARTICLE 2
PURPOSE, NATURE AND TERM OF AGREEMENT

2.1 Purpose of Agreement. This Agreement has been entered into by Contractor and PHLY as a material inducement for PHLY to issue the Bonds. The purpose of this Agreement is to help PHLY ensure Contractor's performance under the Contract and the payment of Subcontractors in order to limit PHLY's exposure under the Bonds. In furtherance of the foregoing, Contractor hereby authorizes and directs PHLY to review all Disbursement Requests and supporting documents received from Contractor and, subject to the terms and conditions hereof, direct the disbursement of all Escrow Funds by Escrow Agent. This Agreement supplements but is not, and is not intended as, a substitute for the provisions contained in the General Agreement of Indemnity dated October 24, 2011, executed by and among Contractor, as principal, Holchemont Management LLC, Montalvo Construction LLC, Michael Che Montalvo, Pamela Lynn Montalvo, as indemnitor(s) in favor of PHLY as surety, (the "**General Indemnity Agreement**").

2.2 Payment Direction Agreement. Contractor shall enter into an agreement with Obligee substantially in the form attached hereto as **Exhibit B** (the "**Payment Direction Agreement**") pursuant to which Contractor shall authorize and direct Obligee to deliver to Escrow Agent, for the benefit PHLY, all payments now or hereafter due to Contractor from Obligee under the Contract including, without limitation, all amounts relating to any retainage, change orders, amendments, or replacements of or to the Contract (collectively, "**Contract Payments**").

2.3 Escrow Agreement. Contractor shall enter into an agreement substantially in the form attached hereto as **Exhibit C** (the "**Escrow Agreement**") pursuant to which, among other things, Contractor shall authorize and direct Escrow Agent to receive Contract Payments, deposit such Contract Payments in an Escrow Account, as Escrow Funds, and disburse such Escrow Funds solely in accordance with direction from PHLY. Contractor shall retain title to the Escrow Funds, subject to the interests of PHLY, until Escrow Agent disburses the Escrow Funds in accordance with the terms of the Escrow Agreement. The parties acknowledge and agree that PHLY shall have the sole and exclusive right to direct disbursements from the Escrow Account by providing appropriate instructions to Escrow Agent consistent with the terms of this Agreement. PHLY shall not be liable for any act, error, omission, or malfeasance attributable to any Escrow Agent.

2.4 No Trust or Fiduciary Relationship. Contractor acknowledges and agrees that PHLY is not, and shall not act in the capacity of, a trustee or other fiduciary with respect to the Escrow Account or the Escrow Funds. Neither PHLY nor any of its officers, directors, partners, employees, agents, attorneys and other advisors, attorneys in fact or affiliates shall be held liable for any claims based upon the purported existence of any fiduciary duty owed to Contractor or based upon any duties arising from the purported existence of any alter ego, domination, or other similar relationship. Contractor further acknowledges and agrees that no term of this Agreement or of any related agreement, document or instrument, and no course of dealing between the parties, shall be deemed to create any agency, partnership or joint venture relationship between the parties or any fiduciary duty on the part of PHLY in favor of Contractor or the Obligee, any Subcontractor or any other person or entity involved with the Project.

2.5 Term. The term of this Agreement shall commence on the Effective Date and end upon the date that all conditions to making of the final disbursement of Escrow Funds set forth in Section 3.5 are satisfied, and PHLY directs the Escrow Agent to make such final disbursement.

ARTICLE 3
DISBURSEMENT PROCEDURES

3.1 Disbursement Requests. Contractor shall request that PHLY direct the disbursement of Escrow Funds to Contractor or a Subcontractor from the Escrow Account on account of Project costs by submitting a written request for such disbursement executed by an authorized representative of Contractor and substantially in the form attached hereto as **Exhibit D** (a "**Disbursement Request**"). Each Disbursement Requests shall (i) identify the payee and the amount to be paid, (ii) identify and provide copies of all applicable invoices and other supporting documentation for such payment, (iii) identify the relationship of the requested payment to line items in the Project Budget, (iv) provide a detailed breakdown of prior amounts paid to such payee and the amount of payments remaining to be made to such payee through Project completion, (v) indicate whether the requested payment is the final payment for such payee, (vi) be accompanied by an original form lien waiver or release (partial or final as applicable) relating to such Disbursement Request similar in substance to one of the forms attached hereto as

Exhibit E (partial release) or **Exhibit F** (final release), or otherwise in form and substance acceptable to PHLY, properly executed by such payee and duly notarized (a "**Release**"), and (vii) if the Disbursement Request relates to a request for payment to Contractor, contain an additional certification that all Project costs and other amounts that are then due and payable to Subcontractors have been fully paid.

3.2 Disbursements Orders. PHLY shall direct Escrow Agent to make disbursements from the Escrow Funds only if (i) the conditions or requirements set forth in Section 3.1 have been satisfied, (ii) PHLY has previously received copies of all payment applications submitted by Contractor to Obligee relating to or including the same costs or payments covered by such Disbursement Request, (iii) PHLY is satisfied, after such review or investigation as it deems appropriate in its sole discretion, as to the completeness, accuracy and veracity of all matters relating to the Disbursement Request and the supporting documents submitted therewith, including without limitation, all receipts, delivery tickets, payroll and other additional cost information requested by PHLY, (iv) PHLY has determined, in its sole discretion, that the amount requested is in line with or reasonable in relation to the status of or progress on the Project and the amounts budgeted for such payments in the Project Budget, (v) the Reserve Amount is fully funded and Escrow Funds are otherwise available to pay the requested disbursement, (vi) Contractor is not in default of its obligations under this Agreement or the Contract, and (vii) no draw or claim against any of the Bonds has been made. If all of the foregoing requirements have not been satisfied, PHLY shall have the right to reject the applicable Disbursement Request or adjust the amount of the Disbursement Request and direct the Escrow Agent to disburse such other amounts that PHLY determines, in its sole discretion, reasonable and appropriate.

3.3 Reserve Funds. PHLY is hereby authorized to cause the Escrow Agent to reserve a portion of all Contract Payments received by Escrow Agent and held in the Escrow Account as Escrow Funds for the protection of PHLY from all claims, losses, damages or expenses that may be asserted against or incurred by PHLY with respect to the Bonds. The amount of Escrow Funds so reserved (the "**Reserve Amount**") shall initially be equal to zero percent (0%) of the aggregate amount of all Contacts Payments received by the Escrow Agent from Obligee. The Reserve Amount may be increased or decreased from time to time as PHLY may determine, in its sole discretion, appropriate. Unless otherwise directed by PHLY, the Reserve Amount shall not be available for disbursement to Contractor or any Subcontractor unless and until the conditions set forth in Section 3.5 have been satisfied.

3.4 Suspension of Disbursements. Notwithstanding anything in this Agreement to the contrary, in the event of a claim against any of the Bonds, PHLY shall have the right to (i) suspend and/or discontinue disbursement instructions to the Escrow Agent on account of Disbursement Requests, and (ii) direct disbursement of some or all of the Escrow Funds to itself in order to pay Contractor's obligations under the Bond Documents or to otherwise reimburse PHLY on account of such claim. Nothing contained in this Section 3.4 or elsewhere in this Agreement shall be construed to relieve Contractor of its obligations under this Agreement or the

Contract, and Contractor agrees that at all times while this Agreement is in effect, Contractor shall continue to prepare and submit Disbursement Requests for work performed on the Project and otherwise perform all of its obligations under the Contract, all Subcontracts and this Agreement.

3.5 Disbursement of Reserve Amount. PHLY may direct the disbursement of the Reserve Amount, if any, from the Escrow Account to Contractor upon the satisfaction of all of the following conditions precedent:

(a) all claims and disputes regarding the Project are resolved to the satisfaction of PHLY;

(b) PHLY has received fully executed final Releases from all Subcontractors;

(c) Contractor has submitted to PHLY a fully-completed and duly notarized certificate regarding project completion substantially in the form the certificated attached hereto as **Exhibit G**;

(d) PHLY has received a fully-completed and duly notarized certificate regarding project completion substantially in the form the certificated attached hereto as **Exhibit H** from Obligee; and

(e) All amounts owing to PHLY under the Bond Documents have been paid and PHLY has received payment from the Escrow Fund of all amounts it is entitled to receive pursuant to the terms of this Agreement.

3.6 Final Disbursement of Escrow Funds. PHLY shall direct a final disbursement of all Escrow Funds contained in the Escrow Account to Contractor upon the satisfaction of all of the conditions sets forth in Section 3.5 above, and Obligee has delivered the final Contract Payment (including all retainage) to Escrow Agent.

ARTICLE 4
RESPONSIBILITIES AND OBLIGATIONS OF CONTRACTOR

4.1 Contractor's Pre-Commencement Duties. Prior to commencement of any work under or pursuant to the Contract, Contractor shall deliver to PHLY the following items, fully completed and executed as applicable:

(a) a copy of the Payment Direction Agreement;

(b) the Escrow Agreement;

(c) the Project Fact Sheet;

(d) a copy of the Contract, inclusive of all exhibits, addenda, general conditions and related documents;

(e) the Project Budget;

(f) the Project Timeline;

(g) a sworn statement executed by Contractor, duly notarized and substantially in the form attached hereto as **Exhibit I,** identifying the names, addresses and telephone numbers of all Subcontractors and containing a brief description of each Subcontract and the dollar amount thereof (the "**Sworn Statement**");

(h) copies of all Subcontracts and all other purchase orders, estimates, invoices, statements or other documents evidencing the purchase, ordering or rental of materials, equipment or other supplies for the Project;

(i) copies of all plans and specifications for the Project;

(j) copies of all permits, approvals and licenses required to be obtained from any governmental authority for the construction work to be performed on the Project;

(k) to the extent permitted by applicable law, copies of waivers or releases of liens against the Project duly executed by each Subcontractor identified in the Sworn Statement and/or properly recorded in the applicable office for the recording of public records; and

(l) any other information or written materials regarding the Project and/or Contractor relevant to this Agreement, which PHLY may request in writing.

4.2 Supplemental Statements. Contractor shall provide to PHLY a revised and fully complete Sworn Statement, executed by Contractor and duly notarized, in the event there is any change to the information contained in any Sworn Statement previously delivered to PHLY due to (a) the addition or deletion of a Subcontractor, (b) the addition or deletion of a Subcontract, (c) any change in the dollar amount of any Subcontract, or (d) any other material change to the information contained in such Sworn Statement.

4.3 Construction of Project. Contractor shall commence construction of the Project promptly and use best efforts to cause all work on the Project to proceed diligently and continuously so that the Project may be substantially completed no later than the scheduled completion date set forth in the Project Timeline. Contractor covenants and agrees that, prior to submitting any Disbursement Request, Contractor will inspect and confirm the sufficiency or completeness of the applicable work performed or materials or equipment used or delivered relating to such Disbursement Request.

4.4 Notice of Certain Events. No later than five (5) days after Contractor's receipt of notice or knowledge of the occurrence of any one of the following events or circumstances, Contractor shall provide notice of same to PHLY, together with copies of documents evidencing or otherwise relating to such event or circumstance:

(a) any actual, potential or asserted backcharge, credit or offset against the Contract;

(b) any actual, potential or asserted default under the Contract;

(c) any actual, potential or asserted default or dispute under a Subcontract, or claim of delay or interference by a Subcontractor or any other person or entity on the Project;

(d) any event requiring the submission of a revised Sworn Statement as set forth in Section 4.2;

(e) additional purchase orders or the receipt of any written notice of change orders, extras, additional improvements or work relating to the Project;

(f) amendments or modifications to the Project Budget;

(g) amendments or modifications to the Project Timeline;

(h) any claim or the assertion of a lien on account of nonpayment for labor, materials or equipment supplied to the Project; or

(i) the receipt of notice by any person or entity from any governmental authority or court concerning Contractor or the Project.

4.5 Books and Records. Contractor shall maintain accurate and complete books and records relating to the Project, the Contract and all Disbursement Requests, and copies of all correspondence to or from Obligee, Contractor, any governmental authority and any other party involved with the Project.

4.6 Access to Project and Information. Contractor shall furnish to PHLY such information as PHLY may, from time to time, request with respect to the Project or the business or financial affairs of Contractor. Contractor shall permit any officer, employee, agent, accountant, consultant or other representative of PHLY, as often as PHLY may require, to: (a) visit and inspect the Project; (b) inspect, audit and make copies of or prepare extracts from Contractor's books, records, contracts, correspondence and any other written materials relating to the Project; and (c) discuss the status of the Project and the financial affairs of Contactor with Contractor, any Subcontractor or Obligee, or their respective officers, employees agents, accountants and consultants.

4.7 Inspection of Project. If an inspection of the Project is requested by PHLY pursuant Section 4.6 above, Contractor shall provide PHLY or its agents and representatives adequate facilities for inspection of the Project and full access to the Project. Any inspection of the Project by PHLY pursuant to this Agreement shall be performed by or on behalf of PHLY at Contractor's expense for PHLY's benefit. PHLY does not undertake any obligation or duty to any person or entity to determine or opine whether the construction of the Project has been performed or completed in accordance with any plans and/or specifications relating thereto, or whether such construction has been accomplished in a reasonable, acceptable, safe or workmanlike manner. Consequently, any inspection of the Project by or for PHLY shall not be relied upon in any manner as the equivalent of or a substitute for a contractor, architectural or engineering inspection.

4.8 Receipt of Contract Payments. In the event that any Contract Payments are delivered directly to Contractor by Obligee, Contractor will immediately notify PHLY of the receipt of such Contract Payments. Contractor will receive any such Contract Payments solely as the agent of PHLY and the Escrow Agent and will immediately turn the same in the form received (except for the endorsement of Contractor where appropriate) over to the Escrow Agent for deposit into the Escrow Account and, until so turned over, Contractor will hold the same in trust for the benefit of PHLY.

ARTICLE 5
ADDITIONAL AGREEMENTS AND ACKNOWLEDGEMENTS OF THE PARTIES

5.1 Communications With Project Participants. PHLY may contact and otherwise communicate directly with Obligee, any Subcontractor and/or any of their respective representatives or consultants to the extent PHLY deems necessary, in its sole discretion, to determine the status of the Project and such parties accounts with Contractor with respect to the Project.

5.2 Right to Retain Professionals. PHLY may retain or consult with attorneys, consultants and other professionals of PHLY's selection, at any time and at Contractor's expense, concerning PHLY's rights and obligations under this Agreement and the other Bond Documents.

5.3 Administrative Fee. PHLY shall receive a non-refundable, fully earned administrative fee equal to three quarters percent (0.75%) of the Contract Amount $5,430.00, plus a set-up charge of $750.00 for a total fee of $6,180.00 (the "**Administrative Fee**") to cover the costs of administering this Agreement and maintaining the Escrow Account. The Administrative Fee shall be deemed fully earned and non-refundable upon the Effective Date and shall be paid to PHLY from the Escrow Fund prior to any other disbursements from the Escrow Fund, provided that, in the event that the total dollar value of the Contract Amount increases, PHLY shall be entitled to receive a corresponding increase in the Administrative Fee. The Administrative Fee

shall not be subject to any refund, reduction or set-off in the event the Contract Amount decreases or the Project does not proceed or meets an early or untimely termination.

5.4 Payment of Fees From Escrow Account. Contractor hereby authorizes PHLY to direct the disbursement of Escrow Funds directly to itself for reimbursement of all amounts for inspection fees, professional fees, Administrative Fees, or the payment of reimbursement obligations relating to claims against the Bonds as and when any such amounts become due and owing to PHLY pursuant to the terms of this Agreement or the other Bond Documents. This authorization is in addition to any other rights belonging to PHLY under the other Bond Documents, including its rights to posting of collateral, indemnity, and other rights related to claims made under any Bonds.

5.5 Reliance Upon Documents. PHLY may, without incurring any liability, act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and in compliance with this Agreement, may assume the validity and accuracy of any statement or assertion contained in such writing or instrument, may assume that any person or entity purporting to give or deliver any such writing or instrument has been duly authorized to do so, and shall not have any obligation or duty to make any independent investigation as to such matters, regardless of any prior or contemporaneous oral or written communication received by it from any party.

5.6 No Implied Duties. PHLY's obligations and responsibilities under this Agreement are limited to those expressly set forth herein. Nothing in this Agreement or the other Bond Documents shall obligate PHLY to issue any additional bonds or provide financing or any other form of financial accommodation to Contractor with respect to the Project or otherwise. All decisions with respect to completion of the Project shall be made by Contractor only, and PHLY assumes no management or other control over completion of the Project or any actions taken by Contractor. PHLY shall have no obligation whatsoever to monitor or oversee the use or application of such funds distributed from the Escrow Account at its direction, including, without limitation, whether or not the party receiving such disbursement utilizes any such funds for payroll, withholding, other taxes or other payments which such receiving party is obligated to make.

5.7 No Guaranty. PHLY does not guaranty nor is PHLY responsible for ensuring (a) that construction of the Project will proceed or be completed; (b) that the Project will be in accordance with governmental rules and regulations or all plans and/or specifications relating to the Project when and if the Project is completed; (c) the quality of workmanship or materials, (d) except to the extent otherwise provided in the Bonds, that all obligations incurred by Contractor in connection with the Project will be paid, satisfied or discharged; or (e) that the Contract Amount or Contract Payments will be sufficient to complete the Project.

5.8 Exculpation. PHLY shall not be liable for any act, error, or omission made in good faith in the performance of this Agreement, and PHLY shall not be liable for negligence of any degree

(including any gross negligence) arising from its performance of this Agreement. In no event shall any of PHLY's officers, directors, partners, employees, agents, attorneys and other advisors, attorneys in fact or affiliates be personally liable for any act which they may do or omit to do hereunder or under the other Bond Documents. Neither PHLY nor any of its officers, directors, partners, employees, agents, attorneys and other advisors, attorneys in fact or affiliates shall be responsible in any manner for any recitals, statements, representations or warranties made by any person or entity contained in the Contract, any Subcontract, this Agreement or any other Bond Document or in any certificate, report, statement or other document referred to or provided for therein or received by PHLY under or in connection therewith, or for the value given for, validity, effectiveness, genuineness, enforceability or sufficiency of any of the foregoing, or the failure of any person or entity to perform its obligations with respect thereto. Notwithstanding any right PHLY may have hereunder or otherwise, PHLY shall not be under any obligation to Contractor or any other person or entity to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Bond Document, or to inspect the Project or the properties, books or records of any person or entity related thereto. Any act done or omitted to be done by PHLY pursuant to the advice of its attorneys shall be deemed conclusively to have been performed or omitted in good faith by PHLY.

5.9 Indemnification. Contractor hereby indemnifies and agrees to defend (with counsel acceptable to PHLY) and hold PHLY and each of its respective directors, parent companies, subsidiaries, shareholders, affiliates, officers, agents and employees (each an, "Indemnitee") harmless from and against any liability, loss, cost, expense (including, without limitation, reasonable attorneys' fees and expenses), claim, damage, suit, action or proceeding ever suffered or incurred by an Indemnitee or in which an Indemnitee may ever be or become involved (whether as a party, witness or otherwise) arising with respect to the execution, delivery, enforcement, performance and administration of this Agreement or the other Bond Documents, or by reason of any third party claim or proceeding arising out of this Agreement, the other Bond Documents or the transactions contemplated hereby or thereby, or relating to claims of any person or entity with respect to the Escrow Funds.

5.10 WAIVER OF DELAY DAMAGES AND SPECIAL DAMAGES. PHLY SHALL NOT BE LIABLE FOR, AND CONTRACTOR HEREBY WAIVES AND RELEASES ANY CLAIMS OR REMEDIES CONTRACTOR MAY HAVE AGAINST PHLY FOR (i) ANY DELAY OR DISRUPTION DAMAGES OF ANY KIND, OR (ii) ANY INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES, WHETHER SUCH DAMAGES ARE CLAIMED BY CONTRACTOR OR ANY THIRD PARTY CLAIMING THROUGH, UNDER OR ON BEHALF OF CONTRACTOR, THAT ARISE OUT OF ANY BREACH OF THIS AGREEMENT BY PHLY, THE DISBURSEMENT OR HANDLING OF THE ESCROW FUNDS, ANY OTHER CLAIM OR OBLIGATION ARISING OUT OF THIS AGREEMENT, OR ANY CLAIM THAT ARISES PURSUANT TO ANY TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY)OR OTHER CLAIM, OR FOR

ANY CLAIM MADE AGAINST CONTRACTOR BY ANY OTHER PARTY, EVEN IF PHLY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH CLAIM.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES

In order to induce PHLY to enter into this Agreement, Contractor makes the following representations and warranties to PHLY, all of which shall be true, correct, and complete in all respects as of the Effective Date and at all times during the term of this Agreement (except to the extent that such representations and warranties by their terms specifically relate solely to an earlier date), and each of which shall survive the execution and delivery of this Agreement.

6.1 Organization and Legal Existence. Contractor is duly organized and validly existing under the laws of its state of formation, is in good standing in each jurisdiction in which the nature of its business makes such qualification necessary (including the jurisdiction in which the Project is located) and has the power and authority to own its assets and transact the business in which it is engaged.

6.2 Authority. Contractor has the full power and authority to enter into, execute, and deliver, and to perform its obligations under, this Agreement and the other Bond Documents, all of which have been duly authorized by all necessary corporate or other company action. No consent or approval of any person or entity, and no consent, approval, filing or registration with any governmental authority is required as a condition to the validity of this Agreement or the other Bond Documents or the performance by Contractor of its obligations thereunder, except for such consents or approvals as have been obtained.

6.3 No Conflicts. The execution and delivery by Contractor of this Agreement and the other Bond Documents, and the performance of its obligations under this Agreement and the other Bond Documents do not and will not, violate, conflict with, constitute a default under, or result in the creation of a lien or encumbrance upon the property of Contractor (other than for the benefit of PHLY) under (a) any provision of Contractor's certificate of incorporation or formation or operating agreement, (b) any provision of any law, rule, or regulation applicable to Contractor, (c) any indenture or other material agreement or instrument to which Contractor is a party or by which Contractor or its property is bound, or (d) any judgment, order or decree of any court, arbitration tribunal, or governmental authority having jurisdiction over Contractor which is applicable to Contractor.

6.4 Binding Agreement. This Agreement and the other Bond Documents to which Contractor is party, and any other document contemplated hereby and thereby, are (or when issued and delivered will be) the legally valid and binding obligations of Contractor, enforceable against it in accordance with their respective terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

6.5 Project Agreements. Contractor has the right and power to construct the Project as contemplated in the Contract. The Contract and all other agreements related thereto are in full force and effect, no default has occurred and is continuing uncured under any of them on the part of Contractor or, to the knowledge of Contractor, any other party, and all conditions to the effectiveness of such agreements currently required to be satisfied have been satisfied. No term or provision set forth in this Agreement will impede Contractor's ability to comply with or perform under the Contract or hinder the general operation of Contractor's business.

6.6 Compliance with Laws. Contractor is not in violation of any laws (including, without limitation, any statute, rule or regulation relating to employment practices or to environmental, occupational and health standards and controls) except for violations which would not reasonably be expected to have a material adverse effect on Contractor's business or its ability to perform under the Contract. Contractor has obtained all certificates, licenses, permits, qualifications and governmental authorizations required under the Contract and all laws, or orders of public authorities, necessary for construction of the Project.

6.7 Litigation. There are no actions, suits, proceedings or investigations pending or, to the knowledge of Contractor, threatened against or affecting Contractor and/or the Project before any court, arbitrator, or governmental authority that would have a material and adverse affect on the ability of Contractor to perform its obligations under the Contract and this Agreement

6.8 Labor Matters. There are no strikes or other labor disputes pending or, to the knowledge of Contractor, threatened against Contractor, Obligee or the Project.

6.9 Material Facts. Neither this Agreement, nor any other Bond Document or any other agreement, document, certificate, or statement furnished to PHLY by or on behalf of Contractor in connection with the transactions contemplated by the Bond Documents, contains any untrue statement of material fact or any materially misleading facts.

ARTICLE 7
ADDRESS FOR NOTICES AND DELIVERIES

7.1 Notices. Unless otherwise provided in this Agreement, all notices or documents required or permitted to permitted to be delivered by any party relating to this Agreement or any other Bond Document shall be in writing and shall be personally delivered by certified mail (postage prepaid, return receipt requested), overnight courier, or facsimile to the relevant party as set forth below:

If to PHLY, to:

Maguire Insurance Agency Inc.
1009 Lenox Drive Ste 107
Lawrenceville, NJ 08648
Attn: Richard Kukosky
Phone: 609-512-3858

Fax: 866-728-2812

If to Contractor, to: Holchemont Ltd
900 North Main Street
McAllen, TX 78501
Attn.: Michael Montalvo
Telephone: 956-686-2901

The parties may change the address at which they are to receive notices or other deliveries hereunder, by notice in writing in the foregoing manner given to the other party. All notices sent in accordance with this provision shall be deemed delivered on the earlier date of (a) actual receipt, or (b) if transmitted by facsimile, the confirmation of the transmission if sent during the recipient's normal business hours or, if the confirmed transmission was sent after normal business hours, the next Business Day.

ARTICLE 8
MISCELLANEOUS PROVISIONS

8.1 Further Assurances. Contractor shall execute, acknowledge, and deliver all such additional agreements, documents and instruments and take all such further action, at its own expense, as PHLY shall deem reasonably necessary in order to further effectuate the purposes, and to carry out the terms, of this Agreement.

8.2 Survival of Covenants. The agreements, covenants and waivers of Contractor contained in this Agreement shall survive the termination of this Agreement to the extent necessary to effectuate the purposes, and to carry out the terms, of this Agreement.

8.3 Cumulative Rights; No Waiver. No failure or delay on the part of PHLY in exercising any right, power or privilege under this Agreement, and no course of dealing between PHLY and Contractor, shall operate as a waiver of any such right, power or privilege, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights, powers and privilege provided for herein are cumulative and not exclusive of any rights, powers, privileges or remedies which PHLY would otherwise have under the Bond Documents or applicable law. Nothing in this Agreement shall be construed as waiving, restricting, or otherwise impinging, in whole or in part, any rights, remedies, or defenses available to PHLY under the common law or any other agreement, including any General Indemnity Agreement.

8.4 Claims Against PHLY. PHLY shall not be in default under this Agreement, or under any other Bond Document, unless a written notice specifically setting forth the claim of Contractor shall have been given to PHLY within three (3) months after Contractor first had knowledge of the occurrence of the event which Contractor alleges gave rise to such claim, and PHLY does not remedy or cure any such default promptly thereafter. Contractor waives any claim, set-off or defense against PHLY arising by reason of any alleged default by PHLY as to which Contractor

does not give timely notice as aforesaid. Nothing in this provision shall be construed as creating any substantive claim rights, and no other person or entity is intended to have any rights as a third-party beneficiary of the provisions of this Section.

8.5 Third Parties. No rights are intended to be created under this Agreement or for the benefit of Obligee or any Subcontractor or other person or entity not a party to this Agreement.

8.6 Successors and Assigns. This Agreement shall be binding upon an inure to the benefit of Contractor and PHLY and their respective successors and assigns, provided, however, that Contractor may not assign its rights hereunder or any interest herein without the prior written consent of PHLY, and any such assignment or attempted assignment by Contractor shall be void and of no effect with respect to PHLY.

8.7 Severability. In the event any term, covenant or provision of this Agreement or shall be declared prohibited, invalid, or unenforceable to any extent by a court of competent jurisdiction, such term, covenant or provision shall be ineffective to the extent of such prohibition, invalidity or unenforceability in that jurisdiction, without invalidating or rendering unenforceable the remaining provisions or affecting the validity of any term, covenant or provision of this Agreement in any other jurisdiction, unless such would effect a substantial deviation from the general intent and purpose of the parties or make a significant change in the economic effect of this Agreement on the party benefited by such term or provision.

8.8 Completeness and Modification. This Agreement, and the exhibits attached hereto, constitute the entire understanding between the parties with respect the subject matter hereof, and thus supersede any prior or contemporaneous agreements or understandings, negotiations, proposals and other representations that may exist or have existed in relation to such subject matter. No waiver or modification of this Agreement shall be valid unless made in writing and signed by the parties hereto. No covenant, representation or condition not otherwise expressed in this Agreement shall replace, modify, interpret, change or restrict the express provisions of this Agreement.

8.9 Choice of Law, Forum; Waiver of Jury Trial. The validity, construction, interpretation and performance of this Agreement and any alleged tort arising or relating to the subject matter hereof shall be governed by the laws of the Commonwealth of Pennsylvania, without giving effect to its conflict of laws principles. Each of the parties hereto irrevocably agrees that any action or proceeding arising in connection with this Agreement shall be brought and maintained exclusively in the United States District Court for the Eastern District of Pennsylvania, or if subject matter jurisdiction cannot be obtained in the District Court, the Court of Common Pleas for Philadelphia County, Pennsylvania. Each party irrevocably waives, to the fullest extent permitted by law, any objection that the forum set forth herein is an inconvenient forum. Each party hereto irrevocably waives any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement.

8.10 Counterparts; Effectiveness. This Agreement may be executed in any number of counterparts and by the different parties on separate counterparts. Each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement. This Agreement shall be deemed to have been executed and delivered when PHLY has received counterparts hereof executed by all parties listed on the signature page(s) hereto.

8.11 Authority to Enter Agreement. Contractor warrants and represents that it enters into this Agreement freely and voluntarily and further warrants that the person executing this Agreement on its behalf has authority to bind the Contractor.

IN WITNESS WHEREOF, the parties hereto have executed and delivered, or caused to be executed and delivered, this Agreement as of the Effective Date.

Holchemont Ltd

By: _____
Name: Michael Montalbo
Title: Mgr.

MAGUIRE INSURANCE AGENCY INC.

By: _____
Name: _____
Title: _____

EXHIBIT B

PAYMENT DIRECTION AGREEMENT

This PAYMENT DIRECTION AGREEMENT (hereinafter "Agreement") is entered into this 24th day of July, 2012, between Holchemont Ltd ("Contractor") and County of Hidalgo ("Obligee").

RECITALS

A. Contractor and Obligee have entered into a construction and services contract for Hidalgo County New Constable Offices Precinct 1, (as the same may be modified, supplemented or amended from time to time, the "Contract") relating to that certain project (the "Project") described on the schedule attached hereto as Exhibit A (the "Project Fact Sheet").

B. Contractor has selected Philadelphia Indemnity Insurance Company ("PIIC") to provide surety bonds as required by Obligee under the Contract.

C. In connection with its issuance of the Bonds, PIIC and Contractor have agreed that Maguire Insurance Agency Inc., underwriting manager for PIIC, will direct the disbursement, from an escrow account, of all monies paid by Obligee under the Contract.

E. In furtherance of the foregoing disbursement arrangement, the parties hereto desire to direct all payments made by Obligee under the Contract to the Escrow Agent described herein.

NOW THEREFORE, in consideration of the preceding recitals, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Contractor and Obligee agrees as follows:

1. Contractor hereby authorized and directs Obligee to remit, and Obligee hereby agrees to remit, all payments due to Contractor under the Contract directly to Bank of America Merrill Lynch, Global Custody and Agency Services, located at 125 South LaSalle Street Ste 1400 Chicago, IL 60603, attn: Anna Vacca (312) 904-1838 ("Escrow Agent"), including, without limitation, any and all amounts now due, scheduled to become due in the future, or which become due on account of any increases in or amendments, additions, supplements, extensions, extras, change orders, additional work or other additional matters relating to the Contract (collectively the "Contract Payments").

2. Nothing contained in this Agreement shall prevent the Obligee from withholding payment to Escrow Agent of any amounts Obligee is entitled to withhold from Contractor by virtue of terms of the Contract or applicable law.

3. This Agreement shall inure to the benefit of and be binding upon the parties successors and permitted assigns.

IN WITNESS WHEREOF, the parties hereto have executed and delivered, or caused to be executed and delivered, this Agreement as of the date first written above.

OBLIGEE:

County of Hidalgo

By: _____
Name: Ramon Garcia
Title: County Judge

Approved by Commissioners' Court
on 7/24/12 RO

CONTRACTOR:

Holchemont Ltd

By: _____
Name: Michael Montalvo
Title: Mgr.

EXHIBIT C

ESCROW AGREEMENT

EXHIBIT D

DISBURSEMENT REQUEST

CONTRACTORS CHECKLIST FOR DISBURSEMENT OF FUNDS

INFORMATION REQUIRED FOR PROCESSING:

- ☐ Exhibit D (Disbursement Authorization) we must obtain one for each check that is to be issued.
- ☐ Copy of all invoices from subcontractors and suppliers that are to be paid.
- ☐ Copy of your pay request to the owner or general contractor.
- ☐ Partial or final lien release waiver for subcontractors and suppliers.

***Information not provided will delay the processing of disbursements.**

Please note that if payment is made by you to any supplier or subcontractor, we will need a copy of the check, a signed lien release form and a copy of the invoice in order to give a refund.

PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

Disbursement Request

FROM: Holchemont Ltd ("Contractor")
TO: Maguire Insurance Agency Inc., underwriting manager for Philadelphia Indemnity Insurance Company
DATE:
PROJECT: Hidalgo County New Constable Offices Precinct 1

Please Pay the Amount of:_____

To the order of:_____

Address of Payee:_____

Final Payment (Yes) (No)_____

A.	Original Contract Estimate:	$_____
B.	Change Orders (Must be attached):	$_____
C.	Revised Contract Amount:	$_____
D.	Total Contract Amount Completed to Date (Including Change Orders):	$_____
E.	Percent of Work Completed to Date _____%:	$_____
F.	Total amount of materials stored on site:	$_____
G.	Total D & F:	$_____
H:	Less Amount Retained: _____%	$_____
I:	Less Previous Payment Requests (Line J from Prior Certificates):	$_____
J:	Total Amount of this Request (D + F - H - I = Total):	$_____
K:	Remaining Amount to Complete (C-G) + Accrued Retainage):	$_____

INVOICE AND BUDGET INFORMATION

1. Relevant invoice number(s): (Copies of invoices must be attached) _____

2. Relevant budget category/line item: _____

3. Do any invoices relate to stored materials? (If so, explanation must be attached) _____

PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

Contractor hereby certifies that the above work or service has been performed, materials have been delivered, stored and/or incorporated into the work and these activities have been approved by the undersigned and by the owner's representative. Contractor further certifies that, if disbursement to Contractor is requested, all project costs and other amounts due and payable to subcontractors have been paid.

Holchemont Ltd

By:_____
Name:_____
Title:_____

EXHIBIT E

PARTIAL RECEIPT, WAIVER AND RELEASE OF CLAIMS

Upon receipt of payment in the amount of $_____ on behalf of **Holchemont Ltd** for labor, materials, equipment and services provided by the undersigned to Contractor on or with respect to Hidalgo County New Constable Offices Precinct 1, the undersigned waives any and all mechanics' lien rights and claims it has or may have with respect to the Project, and releases and forever discharges the County of Hidalgo, Holchemont Ltd, and/or Philadelphia Indemnity Insurance Company and its underwriting manager, Maguire Insurance Agency, Inc. , and their respective officers, directors, employees, sureties, insurers, disbursing agents and representatives from any and all claims for payment, including but not limited to payment bond claims, but only to the extent of the payment acknowledged above and through the date of said payment.

Dated:

_____
(Print company name)

By:_____
Name:_____
Title:_____

_____
Notary Public
Sworn to and subscribed by me this the_____ day
of _____, 20____

My Commission Expires:

PLEASE COMPLETE AND RETURN TO:

EXHIBIT F

FINAL RECEIPT, WAIVER AND RELEASE OF CLAIMS

Upon receipt of **final** payment in the amount of $_____ on behalf of **Holchemont Ltd** for labor, materials, equipment and services provided by the undersigned to Contractor on or with respect to Hidalgo County New Constable Offices Precinct 1, the undersigned waives any and all mechanics' lien rights and claims it has or may have with respect to the Project, and releases and forever discharges the County of Hidalgo, Holchemont Ltd and/or Philadelphia Indemnity Insurance Company and its underwriting manager, Maguire Insurance Agency Inc., and their respective officers, directors, employees, sureties, insurers, disbursing agents and representatives from any and all claims for payment, including but not limited to payment bond claims.

Dated:

_____
(Print company name)

By:_____
Name:_____
Title:_____

_____
Notary Public
Sworn to and subscribed by me this the_____ day
of _____, 20____

My Commission Expires:

PLEASE COMPLETE AND RETURN TO:

PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

EXHIBIT G

CERTIFICATE REGARDING PROJECT COMPLETION

(Contractor)

The undersigned, Holchemont Ltd, hereby certifies to Philadelphia Indemnity Insurance Company ("Surety") together with its underwriting manager, Maguire Insurance Agency Inc., and County of Hidalgo, and/or their respective agents, successors and assigns, as follows with respect to Hidalgo County New Constable Offices Precinct 1:

1. All work to be performed by Contractor pursuant to the Contract has been completed.

2. The Obligee has accepted the Project.

3. All persons or entities who have supplied labor, material or services to the Project at the request of or for the benefit of Contractor have been paid in full.

4. No person or entity has any claim against the County of Hidalgo, or Contractor for any labor, material or services provided to the Project.

5. Contractor has no knowledge of any actual or threatened claim against the Bonds or mechanic's lien against the Project.

All capitalized terms used herein and not defined herein shall have the meanings set forth in that certain Funds Disbursing Agreement between Contractor and Surety dated July 20, 2012.

Dated:

_____
Holchemont Ltd

By:_____
Name:_____
Title:_____

_____
Notary Public
Sworn to and subscribed by me this the_____ day of _____, 20____

My Commission Expires:

PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

EXHIBIT H

CERTIFICATE REGARDING PROJECT COMPLETION

(Obligee)

The undersigned, County of Hidalgo, hereby certifies to Philadelphia Indemnity Insurance Company ("Surety") together with its underwriting manager, Maguire Insurance Agency, Inc., and Holchemont Ltd, and/or their respective agents, successors and assigns, as follows with respect to Hidalgo County New Constable Offices Precinct 1:

1. All work to be performed by Contractor pursuant to the Contract has been completed.

2. The Obligee has accepted the Project.

3. To the knowledge of Obligee, all persons or entities who have supplied labor, material or services to the Project at the request of or for the benefit of Contractor have been paid in full.

4. To the knowledge of Obligee, no person or entity has any claim against the Holchemont Ltd or Obligee for any labor, material or services provided to the Project.

5. Obligee has no knowledge of any actual or threatened claim against the Bonds or mechanic's lien against the Project.

Dated:

_____
County of Hidalgo

By:_____
Name:_____
Title:_____

_____
Notary Public
Sworn to and subscribed by me this the_____ day of _____, 20____

My Commission Expires:

EXHIBIT I

SWORN STATEMENT OF CONTRACTOR TO SURETY REGARDING SUBCONTRACTORS

State of _____

County of _____

The undersigned Holchemont Ltd ("**Contractor**"), being duly sworn, deposes and says that Contractor has retained or contracted or intends to retain or contract with the following subcontractors, equipment or material suppliers, consultants, and other persons or entities for the provision of labor, materials, equipment or services with respect to that certain project described as the Hidalgo County New Constable Offices Precinct 1.

Name	Address & Telephone	Type of Contract, Purchase Order	Contract Amount

The Project's costs breakdown is as follows:

Amount needed for Subcontractors: $_____
Amount needed for Contractor's Labor: $_____

Total Labor Costs; % of Contract: $_____ %_____

Amount needed for Suppliers $_____
Total Material and Equipment Costs; % of Contract: $_____ %_____

Amount needed for Overhead $_____
other Anticipated Costs: (Explain) $_____

Total of Potential Additional Costs $_____ %_____
Amount allotted to Profit $_____
Total Profit: $_____ %_____

Total of the above sums (Should equal Contract Sum):	$_____	%	100
Contract Sum:	$_____	%	100

As of this ____ day of July,2012, this statement is complete and accurate in all respects, and identifies all person or entities and amounts to be paid pursuant to agreements with Contractor related to the Project. Such shall be updated in writing to Philadelphia Indemnity Insurance Company and its underwriting manager, Maguire Insurance Agency, Inc., when any of the foregoing information changes.

Holchemont Ltd

By:_____
Name:_____
Title:_____

_____
Notary Public
Sworn to and subscribed by me this the_____ day
of _____, 20____

My Commission Expires:

PLEASE COMPLETE AND RETURN TO:

Evangelina Garcia

From: Martha Salazar [martha.salazar@co.hidalgo.tx.us]
Sent: Tuesday, July 24, 2012 5:03 PM
To: 'Evangelina Garcia'; 'Moises Salazar'
Cc: 'Darlene Betancourt'
Subject: FW:

Importance: High

From: Steve Crain [mailto:scrain@atlashall.com]
Sent: Tuesday, July 24, 2012 4:07 PM
To: 'Martha Salazar'
Subject: RE:

We have reviewed the disbursement agreement and it is fine.

From: Martha Salazar [mailto:martha.salazar@co.hidalgo.tx.us]
Sent: Tuesday, July 24, 2012 3:07 PM
To: 'Steve Crain'; 'Heather De La Garza'
Cc: 'Evangelina Garcia'; 'Moises Salazar'
Subject: FW:
Importance: High

Mr. Crain & Ms. Heather:
Just and FYI on documentation received and provided to Mr. Crain at CC including the original P & P bonds.
Marty

From: Evangelina Garcia [mailto:evangelina.garcia@co.hidalgo.tx.us]
Sent: Tuesday, July 24, 2012 1:47 PM
To: 'Martha Salazar'
Subject:

Marty:
When Mr. Montalvo from Holchemont delivered the original P&P Bonds this morning, he also left the above attached agreement. Actually this is the first time that I see this type of agreement relevant to the P&P Bonds. Not sure if it should even be considered or what the purpose of this agreement is for. I think it best if this can be forwarded to legal for review as to form since it is in connection to the existing AIA Contract being reviewed as to form including the P&P Bonds by legal.

Thank you

Vangie Y. Garcia, Contract's Manager
2802 S. Business Hwy. 281
New Administration Building
Edinburg, Texas 78539
(956) 292-7000-Extension 4856
email: evangelina.garcia@co.hidalgo.tx.us

APPROVED

AI-33323 **Purchasing Department** **18. B. 2.**
CC REGULAR
Meeting Date: 07/24/2012
Department Head: Martha Salazar **Submitted By:** Vangie Garcia, PURCHASING DEPT.
Department: PURCHASING DEPT.

Information

CAPTION

a. Requesting for Hidalgo County Commissioners' Court to designate and approve an Owner's Representative G.A.S. pursuant to Article 8.3 as referred on the AIA Docuement A101-Agreement between Owner and Contractor and **AIA Document A201-2007-General Conditions** of the Contract for Construction (under Article 2.1.1) so as to proceed with action on the next agenda item;

b. Acceptance and approval of the Final AIA Document A101 form of agreement between Hidalgo County-Owner and Holchemont, LTD.-Contractor for the "Construction Of New Constable Precinct No. 1 Offices".

BACKGROUND

FYI: There is a "Construction Project Manager" under Contract #C-11-201-11-29 with G.A.S. Enterprises (Rene Salinas) for the "Construction Of New Constable Precinct No. 1 Offices".

Fiscal Impact

FISCAL YEAR: 2012 **ACCT. #:** 1336-421-00-220-042-0-720
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**
BUDGETARY IMPACT:

FISCAL YEAR: **ACCT. #:**
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**
BUDGETARY IMPACT:
Available Balance as of 07/19/12: $766,847.49

Attachments

Precinct's Request
Holchement's Bid
Holchement's Email
BACKUP
BACKUP 2

Form Review

Inbox	Reviewed By	Date
Purchasing Department	Marty Salazar	07/20/2012 04:41 PM
Auditor's Office	Angela Garcia	07/20/2012 04:55 PM

Form Started By: Vangie Garcia Started On: 07/18/2012 03:28 PM
Final Approval Date: 07/20/2012

Hidalgo County Purchasing Department
2812 S. Business Highway 281
New Administration Building
Edinburg, Texas 78539
(956) 318-2626/ Fax: (956) 318-2629

NOTICE TO PROCEED

To: Michael Che Montalvo, Manager
Holchemont, LTD.

From: Vangie Y. Garcia, Contract's Manager
Hidalgo County Purchasing Department

Re: NOTICE TO PROCEED-Construction Of A New Constable Precinct No. 1 Offices

Date: September 21, 2012

Please let this serve as a **FORMAL NOTICE** of the authorization to proceed with the construction of the Constable's Office Building pursuant to the RFB No: 2012-028-05-09-MSS.

All work must be done in accordance with the plans and specifications. Any deviations must be approved in writing by the Architect. Work must commence within TEN (10) Calendar Days from issuance of this **NOTICE TO PROCEED**.

You are hereby notified to Commence Work by **October 1, 2012**. You are to complete the Work within **275** calendar days.

Should there be any questions regarding this notice, please do not hesitate to contact me at (956) 292-7000 extension 4856.

Thank you

COPY

APPROVED

AI-36393 **Purchasing Department** **11. G.**
CC CONSENT
Meeting Date: 01/29/2013
Submitted For: Martha Salazar **Submitted By:** Vangie Garcia, PURCHASING DEPT.
Department: PURCHASING DEPT.

Information

CAPTION

Approval of request by awarded contractor "Holchemont LTD" (previously approved by CC on 07/24/12) for disbursement of funds to be sent to project disbursing administrator and underwriting manager "Maguire Insurance Agency, Inc." as a condition by/from their Surety "Philadelphia Indemnity Insurance Company", thus directing all contract payment proceeds under AIA Contract #C-12-028-07-24 with Holchmont, LTD for the "Construction Of New Constable Building In Precinct One" to be directed to Maguire Insurance Agency.

BACKGROUND

Said "Funds Disbursing Agreement" was included with the AIA Contract when approved by Commissioners Court on July 24, 2012, however the wording for the disbursement request was not on the caption of the agenda (AI#33323).

Fiscal Impact

FISCAL YEAR: 2012 **ACCT. #:** 2-1336-421-00-220-042-0-720
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**
BUDGETARY IMPACT:
PO#680750-Balance as of 01/15/13 in the amount of$683,583.06.

Attachments

Previous Agenda Item #33323
Disbursement Agreement

Form Review

Inbox	Reviewed By	Date
Purchasing Department	Darlene Betancourt	01/16/2013 09:47 AM
Budget & Management	Obdett Calzada	01/16/2013 10:34 AM
Manuel Chapa	Manuel Chapa	01/18/2013 11:28 AM
Auditor's Office	Angela Garcia	01/25/2013 04:43 PM

Form Started By: Vangie Garcia Started On: 01/15/2013 10:57 AM
Final Approval Date: 01/25/2013

PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

PHILADELPHIA INDEMNITY INSURANCE COMPANY
231 St. Asaph's Rd., Suite 100
Bala Cynwyd, PA 19004-0950
Power of Attorney

Bond No: PB11509800129

KNOW ALL PERSONS BY THESE PRESENTS: That **PHILADELPHIA INDEMNITY INSURANCE COMPANY** (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint: Tom Young, Fred A. Thetford, Jr., Trey Thetford, and Jared Young, **of** Contract Bond Agency.

Its true and lawful Attorney (s) in fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed $7,500,000.00.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY at a meeting duly called the 11th day of July, 2011.

RESOLVED: That the Board of Directors hereby authorizes the President or any Vice President of the Company to: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

FURTHER RESOLVED: That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and biding upon the Company in the future with the respect to any bond or undertaking to which it is attached.

IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEALTO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 18TH DAY OF JULY, 2011.

PHILADELPHIA INDEMNITY INSURANCE COMPANY CORPORATE SEAL 1927 PENNSYLVANIA

Christopher J. Maguire

President

Christopher J. Maguire
President Philadelphia Indemnity Insurance Company, a Pennsylvania Corporation.

On this 18TH day of July 2011, before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the **PHILADELPHIA INDEMNITY INSURANCE COMPANY**; that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Kimberly A. Kessleski, Notary Public
Lower Merion Twp., Montgomery County
My Commission Expires Dec. 18, 2012
Member, Pennsylvania Association of Notaries

Notary Public

I, Craig P. Keller, Executive Vice President, Chief Financial Officer and Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do herby certify that the foregoing resolution of the Board of Directors and this Power of Attorney issued pursuant thereto on this 18TH day of July 2011are true and correct and are still in full force and effect. I do further certify that Christopher J. Maguire, who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY,

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this 24th day of July 2012.

Craig P. Keller
Executive Vice President, Chief Financial Officer & Secretary
PHILADELPHIA INDEMNITY INSURANCE COMPANY

IMPORTANT NOTICE

To obtain information or make a complaint: You may calf the Surety's toll free telephone number for information or to make a complaint at:

1-877-438-7459

You may also write Philadelphia Indemnity Insurance Company at:

One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004
Attention: Senior Vice President and Director of Surety

You may contact the Texas Department of Insurance to obtain information on companies, coverage, rights or complaints at:

1-800-252-3439.

You may write the Texas Department of Insurance at:

P.O. Box 149104
Austin, TX 78714-9104
Fax# 512-475-1771
Web: http://www.tdi.state.tx.us
Email: ConsumerProtection@tdi.state.tx.us

PREMIUM OR CLAIM DISPUTES: Should you have a dispute concerning your premium or about a claim, you should contact the Surety first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY: This notice is for information only and does not become a part or condition of the attached document.

ADVISO IMPORTANTE

Para obener informacion o para someter una queja: Usted puede llamar al numero de telefono gratis de para informacion o para someter una queja al:

1-877-438-7459

Usted tanbien puede escribir a Philadelphia Indemnity Insurance Company at:

One Bala Plaza, Suite 100
Bala Cynwyd, PA 19004
Attention: Senior Vice President and Director of Surety

Puede comunicarse con el Departamento de Seguros de Texas para obtener information acerca de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al Departmento de Seguros de Texas:

P.O. Box 149104
Austin, TX 78714-9104
Fax# 512-475-1771
Web: http://www.tdi.state.tx.us
Email: ConsumerProtection@tdi.state.tx.us

DISPUTAS SOBRE PRIMAS 0 RECLAMOS: Si tiene una disputa concerniente a su prima o a un reclamo, debe comunicarse con el Surety primero. Si no se resuelve la disputa, puede entonces comunicarrse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA: Este aviso es solo para proposito de informacion y no se convierte en parte o condicion del documento adjunto.

FUNDS DISBURSING AGREEMENT

THIS FUNDS DISBURSING AGREEMENT is made as of this 20 day of July, 2012, (hereinafter "**Effective Date**"), by and between Holchemont Ltd, a Texas corporation, with a principal place of business located at 900 North Main Street McAllen, TX 78501 (hereinafter "**Contractor**"), and MAGUIRE INSURANCE AGENCY, INC., underwriting manager for Philadelphia Indemnity Insurance Company ("**PHLY**").

RECITALS

A. Contractor and County of Hidalgo ("**Obligee**") have entered into a construction and services contract for Hidalgo County New Constable Offices Precinct 1, (as the same may be modified, supplemented or amended from time to time, the "**Contract**") relating to that certain project (the "**Project**") described on the schedule attached hereto as **Exhibit A** (the "**Project Fact Sheet**").

B. Pursuant to the Contract, Contractor is required to obtain one or more surety bonds in order to secure Contractor's payment of subcontractors and/or performance under the Contract.

C. PHLY has agreed to issue that certain Payment Bond in the amount of $724,000.00, and that certain Performance Bond in the amount of $724,000.00, in favor of Obligee (the "**Bonds**") and as required by Obligee under the Contract.

D. In connection with its issuance of the Bonds, PHLY and Contractor are entering into this Agreement regarding the control and disbursement of all payments to be made by Obligee under the Contract.

NOW THEREFORE, in consideration of the foregoing premises and mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE 1 - DEFINITIONS

1.1 Definitions. The following terms as used in this Agreement shall have the following meanings:

"**Administrative Fee**" has the meaning given to such term in Section 5.3.

"**Agreement**" means this Funds Disbursing Agreement, as it may be amended or supplemented from time to time, together with all attachments, exhibits, schedules, riders and addenda, all of which are incorporated herein by this reference and made a part hereof.

"**Bonds**" has the meaning given to such term in the recitals to this Agreement.

"**Bond Documents**" means this Agreement, the Bonds, the Payment Direction Agreement, the Escrow Agreement, the General Indemnity Agreement (to the extent related to the Bonds) and all other agreements, instruments, certificates, requests, statements, disclosures and documents executed or delivered by any person or entity relating to any of the foregoing.

"**Contract**" has the meaning given to such term in the recitals to this Agreement.

"**Contract Amount**" means the aggregate amount payable to Contractor by Obligee under the Contract.

"**Contract Payment**" has the meaning given to such term in Section 2.2.

"**Disbursement Request**" has the meaning given to such term in Section 3.1.

"**Effective Date**" has the meaning given to such term in the introductory paragraph of this Agreement.

"**Escrow Account**" has the meaning given to such term in the Escrow Agreement.

"**Escrow Agent**" has the meaning given to such term in the Escrow Agreement.

"**Escrow Agreement**" has the meaning given to such term in Section 2.3.

"**Escrow Funds**" means the Contract Payments received by Escrow Agent from Obligee pursuant to the Payment Direction Agreement and held and disbursed by Escrow Agent pursuant to the Escrow Agreement.

"**General Indemnity Agreement**" has the meaning given to such term in Section 2.1.

"**Overhead**" means Contractor's actual out of pocket costs in connection with the Contract for administration, field office and home office costs, general management costs, required insurance, materials used in temporary structures, and other costs incidental to the performance of the Contract.

"**Obligee**" has the meaning set forth in the recitals to this Agreement.

"**Payment Direction Agreement**" has the meaning given to such term in Section

"**Profit**" means all amounts payable to Contractor under the Contract not allocable to the costs of construction or Overhead.

"**Project**" has the meaning set forth in the recitals to this Agreement.

"**Project Budget**" means the detailed budget for the Project prepared by Contractor and delivered to PHLY, as the same may be updated from time to time, and containing a schedule of amounts for categories of construction work on the Project under the Contract, including, without limitation, all costs and expenses for labor, materials, supplies, construction management, waste removal and other services, Overhead, Profit

and the other sums arising from the Project, together with any additions, supplements, change orders or other modification to the Contract.

"**Project Timeline**" means the timeline of all interim and final completion dates for each phase of the Project prepared by Contractor and delivered to PHLY, as the same may be amended and updated from time to time.

"**Release**" has the meaning given to such term in Section 3.1.

"**Reserve Amount**" has the meaning given to such term in Section 3.3 hereof.

"**Subcontractors**" means all subcontractors, suppliers and other parties with whom Contractor executes contracts with at any time regarding the Project, and any other person or entity that at any time performs work on, or supplies equipment or materials for, the Project that may otherwise obtain liens under the Contract or against the Project under applicable law, or to which PHLY may have any liability under any Bond.

"**Subcontracts**" means any oral or written agreement between Contractor and any Subcontractor relating to the Project.

"**Sworn Statement**" has the meaning given to such term in Section 4.1(g).

ARTICLE 2
PURPOSE, NATURE AND TERM OF AGREEMENT

2.1 Purpose of Agreement. This Agreement has been entered into by Contractor and PHLY as a material inducement for PHLY to issue the Bonds. The purpose of this Agreement is to help PHLY ensure Contractor's performance under the Contract and the payment of Subcontractors in order to limit PHLY's exposure under the Bonds. In furtherance of the foregoing, Contractor hereby authorizes and directs PHLY to review all Disbursement Requests and supporting documents received from Contractor and, subject to the terms and conditions hereof, direct the disbursement of all Escrow Funds by Escrow Agent. This Agreement supplements but is not, and is not intended as, a substitute for the provisions contained in the General Agreement of Indemnity dated October 24, 2011, executed by and among Contractor, as principal, Holchemont Management LLC, Montalvo Construction LLC, Michael Che Montalvo, Pamela Lynn Montalvo, as indemnitor(s) in favor of PHLY as surety, (the "**General Indemnity Agreement**").

2.2 Payment Direction Agreement. Contractor shall enter into an agreement with Obligee substantially in the form attached hereto as **Exhibit B** (the "**Payment Direction Agreement**") pursuant to which Contractor shall authorize and direct Obligee to deliver to Escrow Agent, for the benefit PHLY, all payments now or hereafter due to Contractor from Obligee under the Contract including, without limitation, all amounts relating to any retainage, change orders, amendments, or replacements of or to the Contract (collectively, "**Contract Payments**").

2.3 Escrow Agreement. Contractor shall enter into an agreement substantially in the form attached hereto as **Exhibit C** (the "**Escrow Agreement**") pursuant to which, among other things, Contractor shall authorize and direct Escrow Agent to receive Contract Payments, deposit such Contract Payments in an Escrow Account, as Escrow Funds, and disburse such Escrow Funds solely in accordance with direction from PHLY. Contractor shall retain title to the Escrow Funds, subject to the interests of PHLY, until Escrow Agent disburses the Escrow Funds in accordance with the terms of the Escrow Agreement. The parties acknowledge and agree that PHLY shall have the sole and exclusive right to direct disbursements from the Escrow Account by providing appropriate instructions to Escrow Agent consistent with the terms of this Agreement. PHLY shall not be liable for any act, error, omission, or malfeasance attributable to any Escrow Agent.

2.4 No Trust or Fiduciary Relationship. Contractor acknowledges and agrees that PHLY is not, and shall not act in the capacity of, a trustee or other fiduciary with respect to the Escrow Account or the Escrow Funds. Neither PHLY nor any of its officers, directors, partners, employees, agents, attorneys and other advisors, attorneys in fact or affiliates shall be held liable for any claims based upon the purported existence of any fiduciary duty owed to Contractor or based upon any duties arising from the purported existence of any alter ego, domination, or other similar relationship. Contractor further acknowledges and agrees that no term of this Agreement or of any related agreement, document or instrument, and no course of dealing between the parties, shall be deemed to create any agency, partnership or joint venture relationship between the parties or any fiduciary duty on the part of PHLY in favor of Contractor or the Obligee, any Subcontractor or any other person or entity involved with the Project.

2.5 Term. The term of this Agreement shall commence on the Effective Date and end upon the date that all conditions to making of the final disbursement of Escrow Funds set forth in Section 3.5 are satisfied, and PHLY directs the Escrow Agent to make such final disbursement.

ARTICLE 3
DISBURSEMENT PROCEDURES

3.1 Disbursement Requests. Contractor shall request that PHLY direct the disbursement of Escrow Funds to Contractor or a Subcontractor from the Escrow Account on account of Project costs by submitting a written request for such disbursement executed by an authorized representative of Contractor and substantially in the form attached hereto as **Exhibit D** (a "**Disbursement Request**"). Each Disbursement Requests shall (i) identify the payee and the amount to be paid, (ii) identify and provide copies of all applicable invoices and other supporting documentation for such payment, (iii) identify the relationship of the requested payment to line items in the Project Budget, (iv) provide a detailed breakdown of prior amounts paid to such payee and the amount of payments remaining to be made to such payee through Project completion, (v) indicate whether the requested payment is the final payment for such payee, (vi) be accompanied by an original form lien waiver or release (partial or final as applicable) relating to such Disbursement Request similar in substance to one of the forms attached hereto as

Exhibit E (partial release) or **Exhibit F** (final release), or otherwise in form and substance acceptable to PHLY, properly executed by such payee and duly notarized (a "**Release**"), and (vii) if the Disbursement Request relates to a request for payment to Contractor, contain an additional certification that all Project costs and other amounts that are then due and payable to Subcontractors have been fully paid.

3.2 Disbursements Orders. PHLY shall direct Escrow Agent to make disbursements from the Escrow Funds only if (i) the conditions or requirements set forth in Section 3.1 have been satisfied, (ii) PHLY has previously received copies of all payment applications submitted by Contractor to Obligee relating to or including the same costs or payments covered by such Disbursement Request, (iii) PHLY is satisfied, after such review or investigation as it deems appropriate in its sole discretion, as to the completeness, accuracy and veracity of all matters relating to the Disbursement Request and the supporting documents submitted therewith, including without limitation, all receipts, delivery tickets, payroll and other additional cost information requested by PHLY, (iv) PHLY has determined, in its sole discretion, that the amount requested is in line with or reasonable in relation to the status of or progress on the Project and the amounts budgeted for such payments in the Project Budget, (v) the Reserve Amount is fully funded and Escrow Funds are otherwise available to pay the requested disbursement, (vi) Contractor is not in default of its obligations under this Agreement or the Contract, and (vii) no draw or claim against any of the Bonds has been made. If all of the foregoing requirements have not been satisfied, PHLY shall have the right to reject the applicable Disbursement Request or adjust the amount of the Disbursement Request and direct the Escrow Agent to disburse such other amounts that PHLY determines, in its sole discretion, reasonable and appropriate.

3.3 Reserve Funds. PHLY is hereby authorized to cause the Escrow Agent to reserve a portion of all Contract Payments received by Escrow Agent and held in the Escrow Account as Escrow Funds for the protection of PHLY from all claims, losses, damages or expenses that may be asserted against or incurred by PHLY with respect to the Bonds. The amount of Escrow Funds so reserved (the "**Reserve Amount**") shall initially be equal to zero percent (0%) of the aggregate amount of all Contacts Payments received by the Escrow Agent from Obligee. The Reserve Amount may be increased or decreased from time to time as PHLY may determine, in its sole discretion, appropriate. Unless otherwise directed by PHLY, the Reserve Amount shall not be available for disbursement to Contractor or any Subcontractor unless and until the conditions set forth in Section 3.5 have been satisfied.

3.4 Suspension of Disbursements. Notwithstanding anything in this Agreement to the contrary, in the event of a claim against any of the Bonds, PHLY shall have the right to (i) suspend and/or discontinue disbursement instructions to the Escrow Agent on account of Disbursement Requests, and (ii) direct disbursement of some or all of the Escrow Funds to itself in order to pay Contractor's obligations under the Bond Documents or to otherwise reimburse PHLY on account of such claim. Nothing contained in this Section 3.4 or elsewhere in this Agreement shall be construed to relieve Contractor of its obligations under this Agreement or the

Contract, and Contractor agrees that at all times while this Agreement is in effect, Contractor shall continue to prepare and submit Disbursement Requests for work performed on the Project and otherwise perform all of its obligations under the Contract, all Subcontracts and this Agreement.

3.5 Disbursement of Reserve Amount. PHLY may direct the disbursement of the Reserve Amount, if any, from the Escrow Account to Contractor upon the satisfaction of all of the following conditions precedent:

(a) all claims and disputes regarding the Project are resolved to the satisfaction of PHLY;

(b) PHLY has received fully executed final Releases from all Subcontractors;

(c) Contractor has submitted to PHLY a fully-completed and duly notarized certificate regarding project completion substantially in the form the certificated attached hereto as **Exhibit G**;

(d) PHLY has received a fully-completed and duly notarized certificate regarding project completion substantially in the form the certificated attached hereto as **Exhibit H** from Obligee; and

(e) All amounts owing to PHLY under the Bond Documents have been paid and PHLY has received payment from the Escrow Fund of all amounts it is entitled to receive pursuant to the terms of this Agreement.

3.6 Final Disbursement of Escrow Funds. PHLY shall direct a final disbursement of all Escrow Funds contained in the Escrow Account to Contractor upon the satisfaction of all of the conditions sets forth in Section 3.5 above, and Obligee has delivered the final Contract Payment (including all retainage) to Escrow Agent.

ARTICLE 4
RESPONSIBILITIES AND OBLIGATIONS OF CONTRACTOR

4.1 Contractor's Pre-Commencement Duties. Prior to commencement of any work under or pursuant to the Contract, Contractor shall deliver to PHLY the following items, fully completed and executed as applicable:

(a) a copy of the Payment Direction Agreement;

(b) the Escrow Agreement;

(c) the Project Fact Sheet;

(d) a copy of the Contract, inclusive of all exhibits, addenda, general conditions and related documents;

(e) the Project Budget;

(f) the Project Timeline;

(g) a sworn statement executed by Contractor, duly notarized and substantially in the form attached hereto as **Exhibit I,** identifying the names, addresses and telephone numbers of all Subcontractors and containing a brief description of each Subcontract and the dollar amount thereof (the "**Sworn Statement**");

(h) copies of all Subcontracts and all other purchase orders, estimates, invoices, statements or other documents evidencing the purchase, ordering or rental of materials, equipment or other supplies for the Project;

(i) copies of all plans and specifications for the Project;

(j) copies of all permits, approvals and licenses required to be obtained from any governmental authority for the construction work to be performed on the Project;

(k) to the extent permitted by applicable law, copies of waivers or releases of liens against the Project duly executed by each Subcontractor identified in the Sworn Statement and/or properly recorded in the applicable office for the recording of public records; and

(l) any other information or written materials regarding the Project and/or Contractor relevant to this Agreement, which PHLY may request in writing.

4.2 Supplemental Statements. Contractor shall provide to PHLY a revised and fully complete Sworn Statement, executed by Contractor and duly notarized, in the event there is any change to the information contained in any Sworn Statement previously delivered to PHLY due to (a) the addition or deletion of a Subcontractor, (b) the addition or deletion of a Subcontract, (c) any change in the dollar amount of any Subcontract, or (d) any other material change to the information contained in such Sworn Statement.

4.3 Construction of Project. Contractor shall commence construction of the Project promptly and use best efforts to cause all work on the Project to proceed diligently and continuously so that the Project may be substantially completed no later than the scheduled completion date set forth in the Project Timeline. Contractor covenants and agrees that, prior to submitting any Disbursement Request, Contractor will inspect and confirm the sufficiency or completeness of the applicable work performed or materials or equipment used or delivered relating to such Disbursement Request.

4.4 Notice of Certain Events. No later than five (5) days after Contractor's receipt of notice or knowledge of the occurrence of any one of the following events or circumstances, Contractor shall provide notice of same to PHLY, together with copies of documents evidencing or otherwise relating to such event or circumstance:

(a) any actual, potential or asserted backcharge, credit or offset against the Contract;

(b) any actual, potential or asserted default under the Contract;

(c) any actual, potential or asserted default or dispute under a Subcontract, or claim of delay or interference by a Subcontractor or any other person or entity on the Project;

(d) any event requiring the submission of a revised Sworn Statement as set forth in Section 4.2;

(e) additional purchase orders or the receipt of any written notice of change orders, extras, additional improvements or work relating to the Project;

(f) amendments or modifications to the Project Budget;

(g) amendments or modifications to the Project Timeline;

(h) any claim or the assertion of a lien on account of nonpayment for labor, materials or equipment supplied to the Project; or

(i) the receipt of notice by any person or entity from any governmental authority or court concerning Contractor or the Project.

4.5 Books and Records. Contractor shall maintain accurate and complete books and records relating to the Project, the Contract and all Disbursement Requests, and copies of all correspondence to or from Obligee, Contractor, any governmental authority and any other party involved with the Project.

4.6 Access to Project and Information. Contractor shall furnish to PHLY such information as PHLY may, from time to time, request with respect to the Project or the business or financial affairs of Contractor. Contractor shall permit any officer, employee, agent, accountant, consultant or other representative of PHLY, as often as PHLY may require, to: (a) visit and inspect the Project; (b) inspect, audit and make copies of or prepare extracts from Contractor's books, records, contracts, correspondence and any other written materials relating to the Project; and (c) discuss the status of the Project and the financial affairs of Contactor with Contractor, any Subcontractor or Obligee, or their respective officers, employees agents, accountants and consultants.

4.7 Inspection of Project. If an inspection of the Project is requested by PHLY pursuant Section 4.6 above, Contractor shall provide PHLY or its agents and representatives adequate facilities for inspection of the Project and full access to the Project. Any inspection of the Project by PHLY pursuant to this Agreement shall be performed by or on behalf of PHLY at Contractor's expense for PHLY's benefit. PHLY does not undertake any obligation or duty to any person or entity to determine or opine whether the construction of the Project has been performed or completed in accordance with any plans and/or specifications relating thereto, or whether such construction has been accomplished in a reasonable, acceptable, safe or workmanlike manner. Consequently, any inspection of the Project by or for PHLY shall not be relied upon in any manner as the equivalent of or a substitute for a contractor, architectural or engineering inspection.

4.8 Receipt of Contract Payments. In the event that any Contract Payments are delivered directly to Contractor by Obligee, Contractor will immediately notify PHLY of the receipt of such Contract Payments. Contractor will receive any such Contract Payments solely as the agent of PHLY and the Escrow Agent and will immediately turn the same in the form received (except for the endorsement of Contractor where appropriate) over to the Escrow Agent for deposit into the Escrow Account and, until so turned over, Contractor will hold the same in trust for the benefit of PHLY.

ARTICLE 5
ADDITIONAL AGREEMENTS AND ACKNOWLEDGEMENTS OF THE PARTIES

5.1 Communications With Project Participants. PHLY may contact and otherwise communicate directly with Obligee, any Subcontractor and/or any of their respective representatives or consultants to the extent PHLY deems necessary, in its sole discretion, to determine the status of the Project and such parties accounts with Contractor with respect to the Project.

5.2 Right to Retain Professionals. PHLY may retain or consult with attorneys, consultants and other professionals of PHLY's selection, at any time and at Contractor's expense, concerning PHLY's rights and obligations under this Agreement and the other Bond Documents.

5.3 Administrative Fee. PHLY shall receive a non-refundable, fully earned administrative fee equal to three quarters percent (0.75%) of the Contract Amount $5,430.00, plus a set-up charge of $750.00 for a total fee of $6,180.00 (the "**Administrative Fee**") to cover the costs of administering this Agreement and maintaining the Escrow Account. The Administrative Fee shall be deemed fully earned and non-refundable upon the Effective Date and shall be paid to PHLY from the Escrow Fund prior to any other disbursements from the Escrow Fund, provided that, in the event that the total dollar value of the Contract Amount increases, PHLY shall be entitled to receive a corresponding increase in the Administrative Fee. The Administrative Fee

shall not be subject to any refund, reduction or set-off in the event the Contract Amount decreases or the Project does not proceed or meets an early or untimely termination.

5.4 Payment of Fees From Escrow Account. Contractor hereby authorizes PHLY to direct the disbursement of Escrow Funds directly to itself for reimbursement of all amounts for inspection fees, professional fees, Administrative Fees, or the payment of reimbursement obligations relating to claims against the Bonds as and when any such amounts become due and owing to PHLY pursuant to the terms of this Agreement or the other Bond Documents. This authorization is in addition to any other rights belonging to PHLY under the other Bond Documents, including its rights to posting of collateral, indemnity, and other rights related to claims made under any Bonds.

5.5 Reliance Upon Documents. PHLY may, without incurring any liability, act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and in compliance with this Agreement, may assume the validity and accuracy of any statement or assertion contained in such writing or instrument, may assume that any person or entity purporting to give or deliver any such writing or instrument has been duly authorized to do so, and shall not have any obligation or duty to make any independent investigation as to such matters, regardless of any prior or contemporaneous oral or written communication received by it from any party.

5.6 No Implied Duties. PHLY's obligations and responsibilities under this Agreement are limited to those expressly set forth herein. Nothing in this Agreement or the other Bond Documents shall obligate PHLY to issue any additional bonds or provide financing or any other form of financial accommodation to Contractor with respect to the Project or otherwise. All decisions with respect to completion of the Project shall be made by Contractor only, and PHLY assumes no management or other control over completion of the Project or any actions taken by Contractor. PHLY shall have no obligation whatsoever to monitor or oversee the use or application of such funds distributed from the Escrow Account at its direction, including, without limitation, whether or not the party receiving such disbursement utilizes any such funds for payroll, withholding, other taxes or other payments which such receiving party is obligated to make.

5.7 No Guaranty. PHLY does not guaranty nor is PHLY responsible for ensuring (a) that construction of the Project will proceed or be completed; (b) that the Project will be in accordance with governmental rules and regulations or all plans and/or specifications relating to the Project when and if the Project is completed; (c) the quality of workmanship or materials, (d) except to the extent otherwise provided in the Bonds, that all obligations incurred by Contractor in connection with the Project will be paid, satisfied or discharged; or (e) that the Contract Amount or Contract Payments will be sufficient to complete the Project.

5.8 Exculpation. PHLY shall not be liable for any act, error, or omission made in good faith in the performance of this Agreement, and PHLY shall not be liable for negligence of any degree

(including any gross negligence) arising from its performance of this Agreement. In no event shall any of PHLY's officers, directors, partners, employees, agents, attorneys and other advisors, attorneys in fact or affiliates be personally liable for any act which they may do or omit to do hereunder or under the other Bond Documents. Neither PHLY nor any of its officers, directors, partners, employees, agents, attorneys and other advisors, attorneys in fact or affiliates shall be responsible in any manner for any recitals, statements, representations or warranties made by any person or entity contained in the Contract, any Subcontract, this Agreement or any other Bond Document or in any certificate, report, statement or other document referred to or provided for therein or received by PHLY under or in connection therewith, or for the value given for, validity, effectiveness, genuineness, enforceability or sufficiency of any of the foregoing, or the failure of any person or entity to perform its obligations with respect thereto. Notwithstanding any right PHLY may have hereunder or otherwise, PHLY shall not be under any obligation to Contractor or any other person or entity to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Bond Document, or to inspect the Project or the properties, books or records of any person or entity related thereto. Any act done or omitted to be done by PHLY pursuant to the advice of its attorneys shall be deemed conclusively to have been performed or omitted in good faith by PHLY.

5.9 Indemnification. Contractor hereby indemnifies and agrees to defend (with counsel acceptable to PHLY) and hold PHLY and each of its respective directors, parent companies, subsidiaries, shareholders, affiliates, officers, agents and employees (each an, "Indemnitee") harmless from and against any liability, loss, cost, expense (including, without limitation, reasonable attorneys' fees and expenses), claim, damage, suit, action or proceeding ever suffered or incurred by an Indemnitee or in which an Indemnitee may ever be or become involved (whether as a party, witness or otherwise) arising with respect to the execution, delivery, enforcement, performance and administration of this Agreement or the other Bond Documents, or by reason of any third party claim or proceeding arising out of this Agreement, the other Bond Documents or the transactions contemplated hereby or thereby, or relating to claims of any person or entity with respect to the Escrow Funds.

5.10 WAIVER OF DELAY DAMAGES AND SPECIAL DAMAGES. PHLY SHALL NOT BE LIABLE FOR, AND CONTRACTOR HEREBY WAIVES AND RELEASES ANY CLAIMS OR REMEDIES CONTRACTOR MAY HAVE AGAINST PHLY FOR (i) ANY DELAY OR DISRUPTION DAMAGES OF ANY KIND, OR (ii) ANY INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES, WHETHER SUCH DAMAGES ARE CLAIMED BY CONTRACTOR OR ANY THIRD PARTY CLAIMING THROUGH, UNDER OR ON BEHALF OF CONTRACTOR, THAT ARISE OUT OF ANY BREACH OF THIS AGREEMENT BY PHLY, THE DISBURSEMENT OR HANDLING OF THE ESCROW FUNDS, ANY OTHER CLAIM OR OBLIGATION ARISING OUT OF THIS AGREEMENT, OR ANY CLAIM THAT ARISES PURSUANT TO ANY TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY)OR OTHER CLAIM, OR FOR

ANY CLAIM MADE AGAINST CONTRACTOR BY ANY OTHER PARTY, EVEN IF PHLY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH CLAIM.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES

In order to induce PHLY to enter into this Agreement, Contractor makes the following representations and warranties to PHLY, all of which shall be true, correct, and complete in all respects as of the Effective Date and at all times during the term of this Agreement (except to the extent that such representations and warranties by their terms specifically relate solely to an earlier date), and each of which shall survive the execution and delivery of this Agreement.

6.1 Organization and Legal Existence. Contractor is duly organized and validly existing under the laws of its state of formation, is in good standing in each jurisdiction in which the nature of its business makes such qualification necessary (including the jurisdiction in which the Project is located) and has the power and authority to own its assets and transact the business in which it is engaged.

6.2 Authority. Contractor has the full power and authority to enter into, execute, and deliver, and to perform its obligations under, this Agreement and the other Bond Documents, all of which have been duly authorized by all necessary corporate or other company action. No consent or approval of any person or entity, and no consent, approval, filing or registration with any governmental authority is required as a condition to the validity of this Agreement or the other Bond Documents or the performance by Contractor of its obligations thereunder, except for such consents or approvals as have been obtained.

6.3 No Conflicts. The execution and delivery by Contractor of this Agreement and the other Bond Documents, and the performance of its obligations under this Agreement and the other Bond Documents do not and will not, violate, conflict with, constitute a default under, or result in the creation of a lien or encumbrance upon the property of Contractor (other than for the benefit of PHLY) under (a) any provision of Contractor's certificate of incorporation or formation or operating agreement, (b) any provision of any law, rule, or regulation applicable to Contractor, (c) any indenture or other material agreement or instrument to which Contractor is a party or by which Contractor or its property is bound, or (d) any judgment, order or decree of any court, arbitration tribunal, or governmental authority having jurisdiction over Contractor which is applicable to Contractor.

6.4 Binding Agreement. This Agreement and the other Bond Documents to which Contractor is party, and any other document contemplated hereby and thereby, are (or when issued and delivered will be) the legally valid and binding obligations of Contractor, enforceable against it in accordance with their respective terms, except as enforcement may be limited by equitable principles or by bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or limiting creditors' rights generally.

6.5 Project Agreements. Contractor has the right and power to construct the Project as contemplated in the Contract. The Contract and all other agreements related thereto are in full force and effect, no default has occurred and is continuing uncured under any of them on the part of Contractor or, to the knowledge of Contractor, any other party, and all conditions to the effectiveness of such agreements currently required to be satisfied have been satisfied. No term or provision set forth in this Agreement will impede Contractor's ability to comply with or perform under the Contract or hinder the general operation of Contractor's business.

6.6 Compliance with Laws. Contractor is not in violation of any laws (including, without limitation, any statute, rule or regulation relating to employment practices or to environmental, occupational and health standards and controls) except for violations which would not reasonably be expected to have a material adverse effect on Contractor's business or its ability to perform under the Contract. Contractor has obtained all certificates, licenses, permits, qualifications and governmental authorizations required under the Contract and all laws, or orders of public authorities, necessary for construction of the Project.

6.7 Litigation. There are no actions, suits, proceedings or investigations pending or, to the knowledge of Contractor, threatened against or affecting Contractor and/or the Project before any court, arbitrator, or governmental authority that would have a material and adverse affect on the ability of Contractor to perform its obligations under the Contract and this Agreement

6.8 Labor Matters. There are no strikes or other labor disputes pending or, to the knowledge of Contractor, threatened against Contractor, Obligee or the Project.

6.9 Material Facts. Neither this Agreement, nor any other Bond Document or any other agreement, document, certificate, or statement furnished to PHLY by or on behalf of Contractor in connection with the transactions contemplated by the Bond Documents, contains any untrue statement of material fact or any materially misleading facts.

ARTICLE 7
ADDRESS FOR NOTICES AND DELIVERIES

7.1 Notices. Unless otherwise provided in this Agreement, all notices or documents required or permitted to permitted to be delivered by any party relating to this Agreement or any other Bond Document shall be in writing and shall be personally delivered by certified mail (postage prepaid, return receipt requested), overnight courier, or facsimile to the relevant party as set forth below:

If to PHLY, to:

Maguire Insurance Agency Inc.
1009 Lenox Drive Ste 107
Lawrenceville, NJ 08648
Attn: Richard Kukosky
Phone: 609-512-3858

Fax: 866-728-2812

If to Contractor, to: Holchemont Ltd
900 North Main Street
McAllen, TX 78501
Attn.: Michael Montalvo
Telephone: 956-686-2901

The parties may change the address at which they are to receive notices or other deliveries hereunder, by notice in writing in the foregoing manner given to the other party. All notices sent in accordance with this provision shall be deemed delivered on the earlier date of (a) actual receipt, or (b) if transmitted by facsimile, the confirmation of the transmission if sent during the recipient's normal business hours or, if the confirmed transmission was sent after normal business hours, the next Business Day.

ARTICLE 8
MISCELLANEOUS PROVISIONS

8.1 Further Assurances. Contractor shall execute, acknowledge, and deliver all such additional agreements, documents and instruments and take all such further action, at its own expense, as PHLY shall deem reasonably necessary in order to further effectuate the purposes, and to carry out the terms, of this Agreement.

8.2 Survival of Covenants. The agreements, covenants and waivers of Contractor contained in this Agreement shall survive the termination of this Agreement to the extent necessary to effectuate the purposes, and to carry out the terms, of this Agreement.

8.3 Cumulative Rights; No Waiver. No failure or delay on the part of PHLY in exercising any right, power or privilege under this Agreement, and no course of dealing between PHLY and Contractor, shall operate as a waiver of any such right, power or privilege, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights, powers and privilege provided for herein are cumulative and not exclusive of any rights, powers, privileges or remedies which PHLY would otherwise have under the Bond Documents or applicable law. Nothing in this Agreement shall be construed as waiving, restricting, or otherwise impinging, in whole or in part, any rights, remedies, or defenses available to PHLY under the common law or any other agreement, including any General Indemnity Agreement.

8.4 Claims Against PHLY. PHLY shall not be in default under this Agreement, or under any other Bond Document, unless a written notice specifically setting forth the claim of Contractor shall have been given to PHLY within three (3) months after Contractor first had knowledge of the occurrence of the event which Contractor alleges gave rise to such claim, and PHLY does not remedy or cure any such default promptly thereafter. Contractor waives any claim, set-off or defense against PHLY arising by reason of any alleged default by PHLY as to which Contractor

does not give timely notice as aforesaid. Nothing in this provision shall be construed as creating any substantive claim rights, and no other person or entity is intended to have any rights as a third-party beneficiary of the provisions of this Section.

8.5 Third Parties. No rights are intended to be created under this Agreement or for the benefit of Obligee or any Subcontractor or other person or entity not a party to this Agreement.

8.6 Successors and Assigns. This Agreement shall be binding upon an inure to the benefit of Contractor and PHLY and their respective successors and assigns, provided, however, that Contractor may not assign its rights hereunder or any interest herein without the prior written consent of PHLY, and any such assignment or attempted assignment by Contractor shall be void and of no effect with respect to PHLY.

8.7 Severability. In the event any term, covenant or provision of this Agreement or shall be declared prohibited, invalid, or unenforceable to any extent by a court of competent jurisdiction, such term, covenant or provision shall be ineffective to the extent of such prohibition, invalidity or unenforceability in that jurisdiction, without invalidating or rendering unenforceable the remaining provisions or affecting the validity of any term, covenant or provision of this Agreement in any other jurisdiction, unless such would effect a substantial deviation from the general intent and purpose of the parties or make a significant change in the economic effect of this Agreement on the party benefited by such term or provision.

8.8 Completeness and Modification. This Agreement, and the exhibits attached hereto, constitute the entire understanding between the parties with respect the subject matter hereof, and thus supersede any prior or contemporaneous agreements or understandings, negotiations, proposals and other representations that may exist or have existed in relation to such subject matter. No waiver or modification of this Agreement shall be valid unless made in writing and signed by the parties hereto. No covenant, representation or condition not otherwise expressed in this Agreement shall replace, modify, interpret, change or restrict the express provisions of this Agreement.

8.9 Choice of Law, Forum; Waiver of Jury Trial. The validity, construction, interpretation and performance of this Agreement and any alleged tort arising or relating to the subject matter hereof shall be governed by the laws of the Commonwealth of Pennsylvania, without giving effect to its conflict of laws principles. Each of the parties hereto irrevocably agrees that any action or proceeding arising in connection with this Agreement shall be brought and maintained exclusively in the United States District Court for the Eastern District of Pennsylvania, or if subject matter jurisdiction cannot be obtained in the District Court, the Court of Common Pleas for Philadelphia County, Pennsylvania. Each party irrevocably waives, to the fullest extent permitted by law, any objection that the forum set forth herein is an inconvenient forum. Each party hereto irrevocably waives any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement.

8.10 Counterparts; Effectiveness. This Agreement may be executed in any number of counterparts and by the different parties on separate counterparts. Each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement. This Agreement shall be deemed to have been executed and delivered when PHLY has received counterparts hereof executed by all parties listed on the signature page(s) hereto.

8.11 Authority to Enter Agreement. Contractor warrants and represents that it enters into this Agreement freely and voluntarily and further warrants that the person executing this Agreement on its behalf has authority to bind the Contractor.

IN WITNESS WHEREOF, the parties hereto have executed and delivered, or caused to be executed and delivered, this Agreement as of the Effective Date.

Holchemont Ltd

By: _____
Name: Michael Montalbo
Title: Mgr.

MAGUIRE INSURANCE AGENCY INC.

By: _____
Name: _____
Title: _____

EXHIBIT B

PAYMENT DIRECTION AGREEMENT

This PAYMENT DIRECTION AGREEMENT (hereinafter "Agreement") is entered into this 24th day of July, 2012, between Holchemont Ltd ("Contractor") and County of Hidalgo ("Obligee").

RECITALS

A. Contractor and Obligee have entered into a construction and services contract for Hidalgo County New Constable Offices Precinct 1, (as the same may be modified, supplemented or amended from time to time, the "Contract") relating to that certain project (the "Project") described on the schedule attached hereto as Exhibit A (the "Project Fact Sheet").

B. Contractor has selected Philadelphia Indemnity Insurance Company ("PIIC") to provide surety bonds as required by Obligee under the Contract.

C. In connection with its issuance of the Bonds, PIIC and Contractor have agreed that Maguire Insurance Agency Inc., underwriting manager for PIIC, will direct the disbursement, from an escrow account, of all monies paid by Obligee under the Contract.

E. In furtherance of the foregoing disbursement arrangement, the parties hereto desire to direct all payments made by Obligee under the Contract to the Escrow Agent described herein.

NOW THEREFORE, in consideration of the preceding recitals, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Contractor and Obligee agrees as follows:

1. Contractor hereby authorized and directs Obligee to remit, and Obligee hereby agrees to remit, all payments due to Contractor under the Contract directly to Bank of America Merrill Lynch, Global Custody and Agency Services, located at 125 South LaSalle Street Ste 1400 Chicago, IL 60603, attn: Anna Vacca (312) 904-1838 ("Escrow Agent"), including, without limitation, any and all amounts now due, scheduled to become due in the future, or which become due on account of any increases in or amendments, additions, supplements, extensions, extras, change orders, additional work or other additional matters relating to the Contract (collectively the "Contract Payments").

2. Nothing contained in this Agreement shall prevent the Obligee from withholding payment to Escrow Agent of any amounts Obligee is entitled to withhold from Contractor by virtue of terms of the Contract or applicable law.

3. This Agreement shall inure to the benefit of and be binding upon the parties successors and permitted assigns.

IN WITNESS WHEREOF, the parties hereto have executed and delivered, or caused to be executed and delivered, this Agreement as of the date first written above.

OBLIGEE:

County of Hidalgo

By: _____
Name: Ramon Garcia
Title: County Judge

Approved by Commissioners' Court
on 7/24/12 RO

CONTRACTOR:

Holchemont Ltd

By: _____
Name: _____
Title: Mgr

EXHIBIT C

ESCROW AGREEMENT

EXHIBIT D

DISBURSEMENT REQUEST

CONTRACTORS CHECKLIST FOR DISBURSEMENT OF FUNDS

INFORMATION REQUIRED FOR PROCESSING:

- ☐ Exhibit D (Disbursement Authorization) we must obtain one for each check that is to be issued.
- ☐ Copy of all invoices from subcontractors and suppliers that are to be paid.
- ☐ Copy of your pay request to the owner or general contractor.
- ☐ Partial or final lien release waiver for subcontractors and suppliers.

***Information not provided will delay the processing of disbursements.**

Please note that if payment is made by you to any supplier or subcontractor, we will need a copy of the check, a signed lien release form and a copy of the invoice in order to give a refund.

PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

Disbursement Request

FROM: Holchemont Ltd ("Contractor")
TO: Maguire Insurance Agency Inc., underwriting manager for Philadelphia Indemnity Insurance Company
DATE:
PROJECT: Hidalgo County New Constable Offices Precinct 1

Please Pay the Amount of:_____

To the order of:_____

Address of Payee:_____

Final Payment (Yes) (No)_____

A.	Original Contract Estimate:	$_____
B.	Change Orders (Must be attached):	$_____
C.	Revised Contract Amount:	$_____
D.	Total Contract Amount Completed to Date (Including Change Orders):	$_____
E.	Percent of Work Completed to Date _____%:	$_____
F.	Total amount of materials stored on site:	$_____
G.	Total D & F:	$_____
H:	Less Amount Retained: _____%	$_____
I:	Less Previous Payment Requests (Line J from Prior Certificates):	$_____
J:	Total Amount of this Request (D + F - H - I = Total):	$_____
K:	Remaining Amount to Complete (C-G) + Accrued Retainage):	$_____

INVOICE AND BUDGET INFORMATION

1. Relevant invoice number(s): (Copies of invoices must be attached) _____

2. Relevant budget category/line item: _____

3. Do any invoices relate to stored materials? (If so, explanation must be attached) _____

Contractor hereby certifies that the above work or service has been performed, materials have been delivered, stored and/or incorporated into the work and these activities have been approved by the undersigned and by the owner's representative. Contractor further certifies that, if disbursement to Contractor is requested, all project costs and other amounts due and payable to subcontractors have been paid.

Holchemont Ltd

By:_____
Name:_____
Title:_____

EXHIBIT E

PARTIAL RECEIPT, WAIVER AND RELEASE OF CLAIMS

Upon receipt of payment in the amount of $_____ on behalf of **Holchemont Ltd** for labor, materials, equipment and services provided by the undersigned to Contractor on or with respect to Hidalgo County New Constable Offices Precinct 1, the undersigned waives any and all mechanics' lien rights and claims it has or may have with respect to the Project, and releases and forever discharges the County of Hidalgo, Holchemont Ltd, and/or Philadelphia Indemnity Insurance Company and its underwriting manager, Maguire Insurance Agency, Inc. , and their respective officers, directors, employees, sureties, insurers, disbursing agents and representatives from any and all claims for payment, including but not limited to payment bond claims, but only to the extent of the payment acknowledged above and through the date of said payment.

Dated:

_____
(Print company name)

By:_____
Name:_____
Title:_____

_____
Notary Public
Sworn to and subscribed by me this the_____ day
of _____, 20____

My Commission Expires:

PLEASE COMPLETE AND RETURN TO:

EXHIBIT F

FINAL RECEIPT, WAIVER AND RELEASE OF CLAIMS

Upon receipt of **final** payment in the amount of $_____ on behalf of **Holchemont Ltd** for labor, materials, equipment and services provided by the undersigned to Contractor on or with respect to Hidalgo County New Constable Offices Precinct 1, the undersigned waives any and all mechanics' lien rights and claims it has or may have with respect to the Project, and releases and forever discharges the County of Hidalgo, Holchemont Ltd and/or Philadelphia Indemnity Insurance Company and its underwriting manager, Maguire Insurance Agency Inc., and their respective officers, directors, employees, sureties, insurers, disbursing agents and representatives from any and all claims for payment, including but not limited to payment bond claims.

Dated:

_____
(Print company name)

By:_____
Name:_____
Title:_____

_____
Notary Public
Sworn to and subscribed by me this the_____ day
of _____, 20____

My Commission Expires:

PLEASE COMPLETE AND RETURN TO:

PHILADELPHIA
INSURANCE COMPANIES

A Member of the Tokio Marine Group

EXHIBIT G

CERTIFICATE REGARDING PROJECT COMPLETION

(Contractor)

The undersigned, Holchemont Ltd, hereby certifies to Philadelphia Indemnity Insurance Company ("Surety") together with its underwriting manager, Maguire Insurance Agency Inc., and County of Hidalgo, and/or their respective agents, successors and assigns, as follows with respect to Hidalgo County New Constable Offices Precinct 1:

1. All work to be performed by Contractor pursuant to the Contract has been completed.

2. The Obligee has accepted the Project.

3. All persons or entities who have supplied labor, material or services to the Project at the request of or for the benefit of Contractor have been paid in full.

4. No person or entity has any claim against the County of Hidalgo, or Contractor for any labor, material or services provided to the Project.

5. Contractor has no knowledge of any actual or threatened claim against the Bonds or mechanic's lien against the Project.

All capitalized terms used herein and not defined herein shall have the meanings set forth in that certain Funds Disbursing Agreement between Contractor and Surety dated July 20, 2012.

Dated:

_____
Holchemont Ltd

By:_____
Name:_____
Title:_____

_____
Notary Public
Sworn to and subscribed by me this the_____ day of _____, 20____

My Commission Expires:

EXHIBIT H

CERTIFICATE REGARDING PROJECT COMPLETION

(Obligee)

The undersigned, County of Hidalgo, hereby certifies to Philadelphia Indemnity Insurance Company ("Surety") together with its underwriting manager, Maguire Insurance Agency, Inc., and Holchemont Ltd, and/or their respective agents, successors and assigns, as follows with respect to Hidalgo County New Constable Offices Precinct 1:

1. All work to be performed by Contractor pursuant to the Contract has been completed.

2. The Obligee has accepted the Project.

3. To the knowledge of Obligee, all persons or entities who have supplied labor, material or services to the Project at the request of or for the benefit of Contractor have been paid in full.

4. To the knowledge of Obligee, no person or entity has any claim against the Holchemont Ltd or Obligee for any labor, material or services provided to the Project.

5. Obligee has no knowledge of any actual or threatened claim against the Bonds or mechanic's lien against the Project.

Dated:

_____
County of Hidalgo

By:_____
Name:_____
Title:_____

_____
Notary Public
Sworn to and subscribed by me this the_____ day of _____, 20____

My Commission Expires:

EXHIBIT I

SWORN STATEMENT OF CONTRACTOR TO SURETY REGARDING SUBCONTRACTORS

State of _____

County of _____

The undersigned Holchemont Ltd ("**Contractor**"), being duly sworn, deposes and says that Contractor has retained or contracted or intends to retain or contract with the following subcontractors, equipment or material suppliers, consultants, and other persons or entities for the provision of labor, materials, equipment or services with respect to that certain project described as the Hidalgo County New Constable Offices Precinct 1.

Name	Address & Telephone	Type of Contract, Purchase Order	Contract Amount

The Project's costs breakdown is as follows:

Amount needed for Subcontractors: $_____
Amount needed for Contractor's Labor: $_____

Total Labor Costs; % of Contract: $_____ %_____

Amount needed for Suppliers $_____
Total Material and Equipment Costs; % of Contract: $_____ %_____

Amount needed for Overhead $_____
other Anticipated Costs: (Explain) $_____

Total of Potential Additional Costs $_____ %_____
Amount allotted to Profit $_____
Total Profit: $_____ %_____

Total of the above sums (Should equal Contract Sum):	$_____	%	100
Contract Sum:	$_____	%	100

As of this ____ day of July,2012, this statement is complete and accurate in all respects, and identifies all person or entities and amounts to be paid pursuant to agreements with Contractor related to the Project. Such shall be updated in writing to Philadelphia Indemnity Insurance Company and its underwriting manager, Maguire Insurance Agency, Inc., when any of the foregoing information changes.

Holchemont Ltd

By:_____
Name:_____
Title:_____

_____
Notary Public
Sworn to and subscribed by me this the_____ day
of _____, 20____

My Commission Expires:

PLEASE COMPLETE AND RETURN TO:

Evangelina Garcia

From: Martha Salazar [martha.salazar@co.hidalgo.tx.us]
Sent: Tuesday, July 24, 2012 5:03 PM
To: 'Evangelina Garcia'; 'Moises Salazar'
Cc: 'Darlene Betancourt'
Subject: FW:

Importance: High

From: Steve Crain [mailto:scrain@atlashall.com]
Sent: Tuesday, July 24, 2012 4:07 PM
To: 'Martha Salazar'
Subject: RE:

We have reviewed the disbursement agreement and it is fine.

From: Martha Salazar [mailto:martha.salazar@co.hidalgo.tx.us]
Sent: Tuesday, July 24, 2012 3:07 PM
To: 'Steve Crain'; 'Heather De La Garza'
Cc: 'Evangelina Garcia'; 'Moises Salazar'
Subject: FW:
Importance: High

Mr. Crain & Ms. Heather:
Just and FYI on documentation received and provided to Mr. Crain at CC including the original P & P bonds.
Marty

From: Evangelina Garcia [mailto:evangelina.garcia@co.hidalgo.tx.us]
Sent: Tuesday, July 24, 2012 1:47 PM
To: 'Martha Salazar'
Subject:

Marty:
When Mr. Montalvo from Holchemont delivered the original P&P Bonds this morning, he also left the above attached agreement. Actually this is the first time that I see this type of agreement relevant to the P&P Bonds. Not sure if it should even be considered or what the purpose of this agreement is for. I think it best if this can be forwarded to legal for review as to form since it is in connection to the existing AIA Contract being reviewed as to form including the P&P Bonds by legal.

Thank you

Vangie Y. Garcia, Contract's Manager
2802 S. Business Hwy. 281
New Administration Building
Edinburg, Texas 78539
(956) 292-7000-Extension 4856
email: evangelina.garcia@co.hidalgo.tx.us