

**From :** Steve Crain <scrain@atlashall.com> Mon, Mar 24, 2014 04:17 PM  
**Subject :** FW: Electricity Billing-Constable Precinct One  
**To :** 'Martha Salazar' <martha.salazar@co.hidalgo.tx.us>

See below.

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**From:** Debra L. Goetz [mailto:dgr@atlashall.com]  
**Sent:** Monday, March 24, 2014 3:21 PM  
**To:** scrain@atlashall.com  
**Subject:** FW: Electricity Billing-Constable Precinct One

Here is the information

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**From:** Debra L. Goetz [mailto:dgr@atlashall.com]  
**Sent:** Monday, February 24, 2014 9:26 AM  
**To:** 'Steve Crain'  
**Subject:** RE: Electricity Billing-Constable Precinct One

Steve,

The question posed is whether direct payment by the county needs to be approved by commissioners court or whether they may simply pay it. The contract does not address the question of how the county internally authorizes a payment, and you had already advised the county that they were entitled to make the payment. It appears that the County should follow the same procedure it would follow for any other payment being made pursuant to the contract.

While they did not provide the entire contract, I believe this is the same one we had reviewed last month for a different issue, and if so, the relevant provision allowing the County to pay and then deduct the amount provides:

§ 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's 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.

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**From:** Steve Crain [mailto:scrain@atlashall.com]  
**Sent:** Friday, February 21, 2014 5:24 PM  
**To:** 'Debra L. Goetz'  
**Subject:** FW: Electricity Billing-Constable Precinct One

Can you check the AIA agreement re this matter and let me know.

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**From:** Martha Salazar [mailto:martha.salazar@co.hidalgo.tx.us]  
**Sent:** Friday, February 21, 2014 4:55 PM  
**To:** Steve Crain; valde guerra; Daniel Flores  
**Cc:** Oscar Garza; Evangelina Garcia; Moises Salazar; Lauro Torres; Stan Ramos; Darlene H. Betancourt; Jessica Ortega  
**Subject:** Fwd: Electricity Billing-Constable Precinct One

Mr. Crain:

Recent history on this item. Some time ago, you and I discussed the issue of contractor, Holchemont, not paying for electric bills prior to HC acceptance and approval of Substantial Completion. You advised at that time that a viable option (pursuant to the AIA terms & conditions attached) to send the vendor notice of HC's intent to reduce any expenses incurred by Holchemont (in this case electricity) and paid by the County (so as to prevent interruption of services) would be deducted from any balances due and/or owing Holchemont.

Below for your confirmation is notice of the issues detailed above. We likewise sent notice to Mr. Daniel Flores to make the necessary arrangement to pay the electricity bills in dispute so as to avoid interruption or termination of services.

Our question then becomes, do we need CC approval to make said payment(s) or do the terms and conditions under the AIA authorize such action on the County's part.

Please advise.

Yours truly,  
Martha S