



AGREEMENT FOR CONSTRUCTION SERVICES

This Agreement for Construction Services ("Agreement") between Williamson County, Texas, a political subdivision of the State of Texas ("Owner") and Willo Products Company Inc. ("Contractor") is entered into in accordance with the following terms and conditions:

ARTICLE 1 SCOPE OF WORK: The Owner desires to retain Contractor for the conversion of EM-1 Locking Devices to Willo E-1 Locking Devices in the Williamson County Jail, as described below (hereinafter called the "Project"). The Contractor shall have the overall responsibility for and shall provide complete construction services and furnish all materials, equipment, tools and labor as necessary or reasonably inferable to complete the Project, or any phase of the Project, in accordance with the Owner's requirements and the terms of this Agreement (hereinafter collectively referred to as the "Work").

ARTICLE 2 CONTRACT PRICE: Owner agrees to pay to the Contractor, for the satisfactory performance of the Work, the sum of **Five Hundred and Seventy-Seven Thousand, Five Hundred and Seventy Dollars (\$577,570.00)** in accordance with the terms and conditions of this Agreement.

ARTICLE 3 SCOPE OF WORK: The Work shall be performed pursuant to the terms of this Agreement and in accordance with the Scope of Work attached hereto as Exhibit I, which is incorporated herein for all purposes, as well as any revisions made thereto by the parties.

Additional Work: Should Owner choose to add additional work, such additional work shall be described in a separate written amendment to this Agreement wherein the additional work shall be described and the parties shall set forth the amount of compensation to be paid by Owner for the additional work. Contractor shall not begin any additional work and Owner shall not be obligated to pay for any additional work unless a written amendment to this Agreement has been signed in advance by both parties.

ARTICLE 4 COMMENCEMENT OF WORK, SUBSTANTIAL AND FINAL COMPLETION:

4.1 Commencement of Work. Contractor shall commence the Work upon written instruction to do so from the Owner and Construction shall be deemed to have commenced on the date of such instruction.

4.2 Substantial Completion. "Substantial Completion" means the stage in the progress of the Work when the Work, or designated portions thereof, may still require minor

modifications or adjustments but, in the Owner's opinion, the Work has progressed to the point such that all parts of the Work under consideration are fully operational and usable for intended purposes, as evidenced by a Certificate of Substantial Completion approved by the Owner. If a Certificate of Occupancy is required by public authorities having jurisdiction over the Work, said certificate shall be issued before the Work or any portion thereof is considered substantially complete. When the Contractor considers that the Work, or a portion thereof which the Owner agrees to accept separately, is substantially complete, the Contractor shall notify Owner's Designated Representative (sometimes referred to as the "ODR") and request a determination as to whether the Work or designated portion thereof is substantially complete. If Owner's Designated Representative does not consider the Work substantially complete, Owner's Designated Representative will notify the Contractor giving reasons therefore. Failure on the Owner's part to list a reason does not alter the responsibility of the Contractor to complete all Work in accordance with the terms of this Agreement. After satisfactorily completing items identified by Owner's Designated Representative, the Contractor shall then submit another request for Owner's Designated Representative to determine Substantial Completion. If Owner's Designated Representative considers the Work substantially complete, Owner's Designated Representative will prepare and deliver a certificate of Substantial Completion which shall establish the date of Substantial Completion, shall include a punch list of items to be completed or corrected before final completion and final payment, shall establish the time within which the Contractor shall finish the punch list, and shall establish responsibilities of the Owner and the Contractor for security, maintenance, heat, utilities, damage to the Work, warranty and insurance. Failure to include an item on the punch list does not alter the responsibility of the Contractor to complete all Work in accordance with the terms and conditions of this Agreement. The certificate of Substantial Completion shall be signed by the Owner and the Contractor to evidence acceptance of the responsibilities assigned to them in such certificate.

Substantial Completion (as defined in this agreement) for all stages of the Work shall be achieved on or before the following Substantial Completion date:

DATE FOR SUBSTANTIAL COMPLETION: On or before August 30, 2013

Substantial Completion is based on the Owner providing the Contractor one (1) floor at a time for the Work to be performed. The contractor will be escorted to and from the work area. The owner shall not cause timely delays getting Contractor to and from the work areas.

Under no circumstances will the time for Substantial Completion exceed this date without a written amendment to this Agreement. **THE TIMES SET FORTH IN THE CONSTRUCTION DOCUMENTS ARE AN ESSENTIAL ELEMENT OF THE AGREEMENT. TIME LIMITS STATED IN THE CONTRACT DOCUMENTS ARE OF THE ESSENCE OF THIS AGREEMENT.**

4.3 Final Completion. The Work shall be fully and finally completed **on or before September 13, 2013**; provided, however, Owner may extend said time period, at Owner's discretion, for matters beyond the control of Owner and Contractor that affect the progress of

the Work. Owner shall, at its sole discretion, determine when the Project has been fully and finally completed to its satisfaction.

4.4 Liquidated Damages. For each consecutive calendar day after the date of Substantial Completion that the Work is not Substantially Complete, the Owner may deduct the amount of One Hundred Dollars per day (\$100/day) from any money due or that becomes due the Contractor, not as a penalty but as liquidated damages representing the parties' estimate at the time of contract execution of the damages that the Owner will sustain for late completion. The parties stipulate and agree that calculating Owner's actual damages for late completion of the Project would be impractical, unduly burdensome, and cause unnecessary delay and that the amount of daily liquidated damages set forth is reasonable.

ARTICLE 5 PAYMENT

5.1 Progress Payments and Retainage. Unless specified otherwise in this Agreement, the following provision shall control the County's method of payment:

Within seven (7) calendar days of complete execution of this Agreement, the Contractor shall provide the Owner with a "Schedule of Values" for billing purposes.

On or before the first (1st) Wednesday of each month, the Contractor shall submit to the Owner's Designated Representative a statement showing the total value of the Work performed up to and including the last day of the preceding month. The statement shall also include the value of all materials delivered on the Project site and to be included in the Work and all partially completed Work which, in the opinion of the Owner's Designated Representative, is acceptable. The Owner's Designated Representative shall examine and approve or modify and approve such statement.

The County shall then pay the Contractor on or before the twenty-fifth (25th) day of the current month the total amount of the approved statement, less ten percent (10%) of the amount thereof, which ten percent (10%) shall be retained until Final Completion and final payment, and further less all previous payments and all further sums that may be retained by the County under the terms of this Agreement.

Upon Final Completion, as determined by Owner, the Contractor shall receive Final Payment, which shall include the balance due Contractor under this Agreement and all retainage, subject to the terms and conditions of this Agreement.

5.2 Interest on Overdue Payments. County's payment of interest on overdue payments shall be governed by Chapter 2251 of the Texas Government Code. An invoice shall be deemed overdue the 31st day after the later of (1) the date County receives the goods under the Contract; (2) the date the performance of the service under the Contract is completed; or (3) the date the Williamson County Auditor receives an invoice for the goods or services. Interest charges for any overdue payments shall be paid by County in accordance with Texas Government Code Section 2251.025. More specifically, the rate of interest that shall accrue on a late payment is the rate in effect on September 1 of County's fiscal year in which the payment becomes due. The said rate in effect on September 1 shall be equal to the sum of one percent (1%); and (2) the

prime rate published in the Wall Street Journal on the first day of July of the preceding fiscal year that does not fall on a Saturday or Sunday.

In the event that an error appears in a statement submitted by Contractor, County shall notify Contractor of the error not later than the twenty first (21st) day after the date the County receives the Statement. If the error is resolved in favor of Contractor, Contractor shall be entitled to receive interest on the unpaid balance of the statement submitted by Contractor beginning on the date that the payment for the statement became overdue. If the error is resolved in favor of the County, Contractor shall submit a corrected statement that must be paid in accordance within the time set forth above. The unpaid balance accrues interest as provided by Chapter 2251 of the Texas Government Code if the corrected statement is not paid by the appropriate date.

5.3 Statement Information. In addition to the items required in Section 5.1 above, each statement shall also include:

- (1) Name, address, and telephone number of Contractor and similar information in the event the payment is to be made to a different address
- (2) County contract, Purchase Order, and/or delivery order number
- (3) Any additional payment information which may be called for by the Contract

Payment inquiries should be directed to the Williamson County Auditor's Office, Accounts Payable Department: Donna Baker, 943-1558.

ARTICLE 6 CONTRACTOR'S GENERAL RESPONSIBILITIES AND COVENANTS:

6.1 Contractor shall perform all Work specifically allocated to it hereunder, as well as those services reasonably inferable and necessary for completion of the Work and the Project. The Contractor shall keep the Owner informed of the progress and quality of the Work. Contractor agrees and acknowledges that Owner is entering into this Agreement in reliance on Contractor's represented expertise and ability to provide Work described in this Agreement. Contractor agrees to use its best efforts, skill, judgment, and abilities to perform its obligations in accordance with the highest standards used in the profession and to further the interests of Owner in accordance with Owner's requirements and procedures. Contractor's duties as set forth herein shall at no time be in any way diminished by reason of any approval by the Owner nor shall the Contractor be released from any liability by reason of such approval by the Owner, it being understood that the Owner at all times is ultimately relying upon the Contractor's skill and knowledge in performing the services required hereunder.

6.2 Contractor is responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work. The safety program shall comply with all applicable requirements of the current Federal Occupational Safety and Health Act and all other applicable federal, state and local laws and regulations.

6.3 Contractor shall be an independent contractor under this agreement and shall assume all of the rights, obligations, liabilities, applicable to it as such independent contractor hereunder and

any provisions in this agreement which may appear to give Owner the right to direct Contractor as to details of doing the Work herein covered or to exercise a measure of control over the Work shall be deemed to mean that Contractor shall follow the desires of Owner in the results of the Work only. Owner shall not retain or have the right to control the Contractor's means, methods or details pertaining to the Contractor's performance of the Work described herein, nor shall Owner have the power to direct the order in which Contractor's Work is performed under this agreement. Owner and Contractor hereby agree and declare that Contractor is an Independent Contractor and as such meets the qualifications of an Independent Contractor under Texas Worker's Compensation Act, Texas Labor Code, Section 406.141, that the Contractor is not an employee of Owner for purposes of this Agreement, and that the Contractor and its employees, agents and sub-subcontractors shall not be entitled to worker's compensation coverage or any other type of insurance coverage held by Owner.

6.4 As part of Contractor's obligation to coordinate the Work, Contract shall:

- a. cooperate with the ODR and endeavor to further the interests of the Owner and the Project;
- b. provide an on-site, full-time superintendent for the duration of the Project;
- c. visit the Project site and inspect the existing facilities, systems and conditions to insure an accurate understanding of the existing conditions as required;
- d. at Owner's request, attend a Pre-Construction meeting concerning the development of the Project.
- e. organize and maintain a competent, full-time staff at the Project site with clearly defined lines of authority and communication as necessary to coordinate construction activities, monitor and direct progress of the Work;
- f. The Contractor's On-site Superintendent shall attend Owner's regularly scheduled Project progress meetings and fully advise the Owner's Designated Representative of the Project status including schedule, costs, quality and changes;
- g. assist Owner in obtaining building permits and obtain special permits for permanent improvements as required by law, if any; and
- h. shall coordinate, monitor and inspect the Work of subcontractors to ensure conformance with the, scope of work, drawings, specifications, other plans and with the terms of this Agreement.

6.5 Contractor shall identify every subcontractor it intends to use on the Project to the Owner in writing at least ten (10) days before entering into any subcontract. Contractor shall not use any subcontractor to which Owner has a reasonable objection. If Owner does not object to a particular subcontractor with said ten (10) days, such subcontract may be considered acceptable to Owner. Following Owner's acceptance of a subcontractor, that subcontractor shall not be changed without Owner's written consent, which shall not be unreasonably withheld.

6.6 Contractor's designated representative, which is set forth below Contractor's signature herein below, shall be responsible for the day-to-day management of the Work on behalf of Contractor. The Contractor's designated representative shall be the Owner's primary contact during the Work and shall be available as required for the benefit of the Project and the Owner.

The contractor's designated representative shall be authorized to act on behalf of and bind the Contractor in all matters related to the Work including, but not limited to, execution of Change Orders.

6.7 NO ALTERATIONS OR CHANGES SHALL BE MADE, HOWEVER, EXCEPT UPON THE WRITTEN ORDER OF THE OWNER, OR ITS DESIGNATED REPRESENTATIVE.

6.8 Contractor shall promptly correct any defective Work at Contractor's sole expense, unless the Owner specifically agrees, in writing, to accept the Work.

6.9 Contractor shall maintain and deliver the close out documents that describe changes or deviations from the original scope of work, drawings, specifications and plans that occurred during construction and that reflect the actual "As Built" conditions of the completed Work.

COMMISSIONING AND WARRANTY RESPONSIBILITIES

6.10 Contractor shall provide commissioning, starting and check-out services for the systems installed in the Project prior to Final Completion, acceptance and final payment. Operation manuals and instructions will be provided to the Owner, the systems will be demonstrated and training provided to Owners's operators upon completion and prior to acceptance.

6.11 Contractor hereby warrants that the materials and equipment provided for the Project will be of good quality and new unless otherwise required or permitted by the Owner; that the construction will be free from faults and defects; and that the construction will conform with the requirements of the scope of work, plans, specifications, drawings and the terms of this Agreement.

6.12 Contractor shall provide warranty services for the Work for a full twelve (12) months after Final Completion and final payment. Thirty (30) calendar days before the warranty period expires, Contractor shall attend an on-site meeting with the Owner to ensure that all warranty issues have been identified and properly remedied and that all goods and equipment provided are functioning properly.

ARTICLE 7 OWNER'S RESPONSIBILITIES

The Owner shall:

- a. provide the general schedule for the Project provided Owner is of the opinion such schedule is necessary. The general schedule will set forth the Owner's plan for milestone dates;
- b. identify a person as its Owner's Designated Representative ("ODR") who is authorized to act in the Owner's behalf with respect to the Project. The ODR shall examine the documents submitted by the Contractor and shall render decisions on behalf of the Owner to the extent allowed by Texas law;

- c. furnish required information and services and shall render approvals and decisions as expeditiously as is consistent with reasonable skill and care and the orderly progress of the Contractor's services and of the Work;
- d. shall have the right to reject any defective Work on the Project. Should Contractor refuse or neglect to correct any such Work within a reasonable time after notice, Owner may have the Work corrected and recover all expenses incurred from Contractor on demand; and
- e. Owner shall provide an area or location on the property for the disposal of all debris discarded from the old locking system.

ARTICLE 8 INSURANCE AND INDEMNITY

8.1 Insurance. The Contractor shall carry insurance in the types and amounts indicated below for the duration of the Agreement, which shall include items owned by Owner in the care, custody and control of Contractor prior to and during construction. Contractor must also complete and file the declaration pages from the insurance policies with Owner whenever a previously identified policy period expires during the term of the Agreement, as proof of continuing coverage. Contractor shall update all expired policies prior to submission of any payment requests hereunder. Failure to update policies shall be reason for payment to be withheld until evidence for renewal is provided to the Owner.

8.1.1 The Contractor shall provide and maintain, until the Work covered in this Agreement is completed and accepted by the Owner, the minimum insurance coverage in the minimum amounts as described below. Coverage shall be written on an occurrence basis by companies authorized and admitted to do business in the State of Texas and rated A- or better by A.M. Best Company or otherwise acceptable to Owner.

Type of Coverage	Limits of Liability	
a. Worker's Compensation	Statutory	
b. Employer's Liability		
Bodily Injury by Accident	\$250,000 Ea. Accident	
Bodily Injury by Disease	\$250,000 Ea. Employee	
Bodily Injury by Disease	\$250,000 Policy Limit	
c. Comprehensive general liability including completed operations and contractual liability insurance for bodily injury, death, or property damages in the following amounts:		

COVERAGE	PER PERSON	PER OCCURRENCE
Comprehensive General Liability (including premises, completed operations)	\$500,000	\$500,000

and contractual)

Aggregate policy limits: \$1,000,000

Comprehensive automobile and auto liability insurance (covering owned, hired, leased and non-owned vehicles):

COVERAGE	PER PERSON	PER OCCURRENCE
Bodily injury (including death)	\$500,000	\$500,000
Property damage	\$500,000	\$500,000

Aggregate policy limits No aggregate limit

Builder's Risk Insurance
(*all risks*)

An all risks policy shall be in the amount equal at all times to 100% of the Contract Sum. The policy shall include coverage for loss or damage caused by certified acts of terrorism as defined in the Terrorism Risk Insurance Act. The policy shall be issued in the name of the Contractor and shall name his Subcontractors as additional insureds. The Owner shall be named as a loss payee on the policy. The builders risk policy shall have endorsements as follow:

1. This insurance shall be specific as to coverage and not considered as contributing insurance with any permanent insurance maintained on the present premises. If off-site storage is permitted, coverage shall include transit and storage in an amount sufficient to protect property being transported or stored.
2. For renovation projects and or portions of work contained within an existing structure, the Owner waives subrogation for damage by fire to existing building structure(s), if the Builder's Risk Policy has been endorsed to include coverage for existing building structure(s) in the amount described in the Special Conditions. However, Contractor shall not be required to obtain such an endorsement unless specifically required by the Special Conditions., in this Agreement. The aforementioned waiver of subrogation shall not be effective unless such endorsement is obtained.

8.1.2 The above insurance requirements are not intended to be compounded with the Contractor's standing insurance policies. If the Contractor already has in force insurance

policies which provide the required coverage, there is no need to purchase duplicate coverage for this Project.

8.1.3 Policies must include the following clauses, as applicable.

- a. "This insurance shall not be canceled, limited in scope or coverage, or non-renewed until after thirty (30) days prior written notice, or ten (10) days for non-payment of premium, has been given to Williamson County."
- b. "It is agreed that the Contractor's insurance shall be deemed primary with respect to any insurance or self insurance carried by Williamson County for liability arising out of operations under the Agreement with Williamson County."
- c. "Williamson County, its officials, directors, employees, representatives, and volunteers are added as additional insured as respects operations and activities of, or on behalf of the named insured performed under Agreement with the Owner." This is not applicable to the workers' compensation policy.
- d. "The workers' compensation and employers' liability policy will provide a waiver of subrogation in favor of Williamson County."

8.1.4 Workers' Compensation Insurance Coverage:

In the event that Contractor employs any individual to perform any portion of the Work, Contractor shall comply with Texas Labor Code, §406.096, which requires workers' compensation insurance coverage for all employees providing services on a building or construction project for a governmental entity.

a. Definitions:

- (1) Certificate of Coverage ("certificate") - A copy of a certificate of insurance, a certificate of authority to self-insure issued by the Texas Workers' Compensation Commission, or a coverage agreement (TWCC-81, TWCC-82, TWCC-83, or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the Duration of the Project.
- (2) Duration of the Project - includes the time from the beginning of the work on the Project until the Contractor's work on the Project has been completed and accepted by the Owner.
- (3) Coverage — Workers' compensation insurance meeting the statutory requirements of the Texas Labor Code, §401.011(44).
- (4) Persons providing services on the Project ("subcontractor") - includes all persons or entities performing all or part of the services the Contractor has undertaken to perform on the Project, regardless of whether that person contracted directly with the Contractor and regardless of whether that person has employees. This includes, without limitation, independent

contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the Project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the Project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

- b. The Contractor shall provide Coverage, based on proper reporting of classification codes and payroll amounts and filing of any Coverage agreements, which meets the statutory requirements of Texas labor Code, §401.011(44) for all employees of the Contractor providing services on the Project, for the Duration of the Project.
- c. The Contractor must provide a Certificate of Coverage to the Owner prior to or contemporaneously with the execution of this Agreement.
- d. If the Coverage period shown on the Contractor's current Certificate of Coverage ends during the Duration of the Project, the Contractor must, prior to the end of the Coverage period, file a new Certificate of Coverage with the Owner showing that Coverage has been extended.
- e. The Contractor shall obtain from each person providing services on the Project, and provide to the Owner:
 - (1) a Certificate of Coverage, prior to that person beginning work on the Project, so the Owner will have on file Certificates of Coverage showing Coverage for all persons providing services on the Project; and
 - (2) no later than seven days after receipt by the Contractor, a new Certificate of Coverage showing extension of Coverage, if the Coverage period shown on the current Certificate of Coverage ends during the Duration of the Project.
- f. The Contractor shall retain all required Certificates of Coverage for the Duration of the Project and for one year thereafter.
- g. The Contractor shall notify the Owner in writing by certified mail or personal delivery, within 10 days after the Contractor knew or should have known, of any change that materially affects the provision of Coverage of any person providing services on the Project.
- h. The Contractor shall post on the Project site a notice, in the text, form and manner prescribed by the Texas Workers' Compensation Commission, informing all persons providing services on the Project that they are required to be covered, and stating how a person may verify Coverage and report lack of Coverage.
- i. By signing this Agreement 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 and all persons providing services on the Project will be covered by workers' compensation coverage for the Duration of the Project, that the coverage will be based on proper reporting of 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.

- j. The Contractor's failure to comply with any of these provisions is a breach of Agreement by the Contractor which entitles the Owner to declare the Agreement void if the Contractor does not remedy the breach within ten (10) days after receipt of notice of breach from the Owner.

8.1.5 The furnishing of the above listed insurance coverage must be tendered prior to execution of the Agreement. The Contractor shall not cause or allow any of its required insurance to be canceled, nor permit any insurance to lapse during the term of the Agreement or as required in the Agreement. If the Contractor fails to obtain, maintain or renew any insurance required by this Agreement, the Owner may, among other remedies available hereunder or at law, obtain insurance coverage directly and recover the cost of that insurance from the Contractor or declare this Agreement void if the Contractor does not remedy the breach within ten (10) days after receipt of notice of breach from the Owner.

8.1.6 The Owner reserves the right to review the insurance requirements set forth in this Article during the effective period of the Agreement and to make reasonable adjustments to the insurance coverage and their limits when deemed necessary and prudent by the Owner based upon changes in statutory law, court decisions, or the claims history of the industry as well as the Contractor.

8.1.7 The Owner shall be entitled, upon request, and without expense, to receive complete copies of the policies with all endorsements and may make any reasonable requests for deletion, or revision or modification of particular policy terms, conditions, limitations, or exclusions, except where policy provisions are established by law or regulation binding upon the Parties or the underwriter of any of such policies. Damages caused by the Contractor and not covered by insurance shall be paid by the Contractor.

8.1.8 The Contractor shall contractually require each person or entity with whom it contracts to provide services on the Project, to comply with each and every insurance requirement that Contractor must comply with hereunder. More specifically, each person or entity with whom Contractor contracts to provide services on the Project must comply with each insurance requirement under this Article 8 just as if such person or entity was the Contractor. Thus, every reference to Contractor under each insurance requirement of this Article 8 shall mean and include each person or entity with whom Contractor contracts to provide services on the Project. If any such person or entity with whom Contractor contracts to provide services on the Project fails to obtain, maintain or renew any insurance required by this Agreement, the Owner may, among other remedies available hereunder or at law, obtain insurance coverage directly and recover the cost of that insurance from the Contractor or declare this Agreement void if the Contractor does not remedy the breach within ten (10) days after receipt of notice of breach from the Owner.

8.2 INDEMNITY. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE CONTRACTOR AND ITS AGENTS, PARTNERS, EMPLOYEES, AND CONSULTANTS (COLLECTIVELY "INDEMNITORS") SHALL AND DO AGREE TO INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY OWNER, AND HOLD HARMLESS THE OWNER, REPRESENTATIVES OF THE OWNER AND THE COMMISSIONERS COURT OF WILLIAMSON COUNTY, ITS VARIOUS DEPARTMENTS, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS (COLLECTIVELY "INDEMNITEES") FROM AND AGAINST ALL CLAIMS. DAMAGES, LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS, AND EXPENSES, INCLUDING ATTORNEY FEES, OF ANY NATURE, KIND, OR DESCRIPTION (COLLECTIVELY "LIABILITIES") OF ANY PERSON OR ENTITY WHOMSOEVER ARISING OUT OF, CAUSED BY, OR RESULTING FROM THE PERFORMANCE OF THE SERVICES OR ANY PART THEREOF WHICH ARE CAUSED IN WHOLE OR IN PART BY ANY NEGLIGENT ACT OR OMISSION OF THE CONTRACTOR, ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY IT OR ANYONE FOR WHOSE ACTS IT MAY BE LIABLE, EVEN IF IT IS CAUSED IN PART BY THE NEGLIGENCE OR OMISSION OF ANY INDEMNITEE, SO LONG AS IT IS NOT CAUSED BY THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF ANY INDEMNITEE. IN THE EVENT MORE THAN ONE OF THE INDEMNITORS ARE CONNECTED WITH AN ACCIDENT OR OCCURRENCE COVERED BY THIS INDEMNIFICATION, THEN EACH OF SUCH INDEMNITORS SHALL BE JOINTLY AND SEVERALLY RESPONSIBLE TO THE INDEMNITEES FOR INDEMNIFICATION AND THE ULTIMATE RESPONSIBILITY AMONG SUCH INDEMNITORS FOR THE LOSS AND EXPENSE OF ANY SUCH INDEMNIFICATION SHALL BE SETTLED BY SEPARATE PROCEEDINGS AND WITHOUT JEOPARDY TO ANY INDEMNITEE. THE PROVISIONS OF THIS ARTICLE SHALL NOT BE CONSTRUED TO ELIMINATE OR REDUCE ANY OTHER INDEMNIFICATION OR RIGHT WHICH OWNER OR ANY OF THE INDEMNITEES HAS BY LAW. THE INDEMNITIES CONTAINED HEREIN SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT FOR ANY REASON WHATSOEVER.

8.3 Except for the obligation of Owner to pay Contractor the Contract Price pursuant to the terms of this Agreement, and to perform certain other obligations pursuant to the terms and conditions explicitly set forth herein, Owner shall have no liability to Contractor or to anyone claiming through or under Contractor by reason of the execution or performance of this Agreement. Notwithstanding any obligation or liability of Owner to Contractor, no present or future partner or affiliate of Owner or any agent, officer, director, or employee of Owner, Williamson County, or of the various departments comprising Williamson County, or anyone claiming under Owner has or shall have any personal liability to Contractor or to anyone claiming through or under Contractor by reason of the execution or performance of this Agreement.

ARTICLE 9 BONDS

9.1 Warranty Bond. Upon execution of this Agreement, Contractor shall provide a Warranty Bond in the amount of 10% of the Contract Price, as security for the true and faithful performance of all warranties set forth in this Agreement.

9.2 Performance Bond. Upon execution of this Agreement, Contractor shall provide a Performance Bond in the amount of 100% of the Contract Price. The surety for a Performance Bond shall meet the requirements of Texas law.

9.3 Payment Bond. Upon execution of this Agreement, Contractor shall provide a Payment Bond in the amount of 100% of the Contract Price, as security for the true and faithful payment in full of all subcontractors and persons performing labor, services, materials, machinery, and fixtures in connection with the Work. The surety for a Payment Bond shall meet the requirements of Texas law.

ARTICLE 10 TERMINATION

10.1 Termination for Cause. If either party commits an Event of Breach (a breach of any of the covenants, terms and/or conditions of this Agreement), the non-breaching party shall deliver written notice of such Event of Breach to the breaching party. Such notice must specify the nature of the Event of Breach and inform the breaching party that unless the Event of Breach is cured within three (3) business days of receipt of the notice, additional steps may be taken to terminate this Agreement. If the breaching party begins a good faith attempt to cure the Event of Breach within three (3) business days, then and in that instance, the three (3) business day period may be extended by the non-breaching party, so long as the breaching party continues to prosecute a cure diligently to completion and continues to make a good faith attempt to cure the Event of Breach. If, in the opinion of the non-breaching party, the breaching party does not cure the breach within three (3) business days or otherwise fails to make any diligent attempt to correct the Event of Breach, the breaching party shall be deemed to be in breach and the non-breaching party may, in addition to seeking the remedies available hereunder and under the law, terminate this Agreement.

10.2 Termination for Convenience. The Owner may terminate this Agreement for convenience and without cause or further liability upon thirty (30) days written notice to Contractor. In the event of such termination, it is understood and agreed that only the amounts due to Contractor for goods, fabricated material or materials purchased exclusively for this Project, commodities and/or services provided and expenses incurred to and including the date of termination, will be due and payable. No penalty will be assessed for Owner's termination of this Agreement for convenience.

ARTICLE 11 MISCELLANEOUS PROVISIONS

11.1 Assignment. This Agreement is a personal service contract for the services of Contractor, and Contractor's interest in this Agreement, duties hereunder and/or fees due hereunder may not be assigned or delegated to a third party.

11.2 Governing Law and Venue. This Agreement and all of the rights and obligations of the parties and all of the terms and conditions shall be construed, interpreted and applied in accordance with and governed by and enforced under the laws of the State of Texas without

reference to its conflicts of law provisions. Williamson County where the Project is located shall be the sole place of venue for any legal action arising from or related to this Agreement or the Project in which the Owner is a party.

11.3 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective permitted assigns and successors.

11.4 Notices. All notices, consents, approvals, demands, requests or other communications relied on by the parties shall be in writing. Written notice shall be deemed to have been given when delivered in person to the designated representative of the Contractor or Owner for whom it is intended; or sent by U. S. Mail to the last known business address of the designated representative; or transmitted by fax machine to the last known business fax number of the designated representative. Mail notices are deemed effective upon receipt or on the third business day after the date of mailing, whichever is sooner. Fax notices are deemed effective the next business day after faxing.

11.5 Severability. Should any term or provision of this Agreement be held invalid or unenforceable in any respect, the remaining terms and provisions shall not be affected and this Agreement shall be construed as if the invalid or unenforceable term or provision had never been included.

11.6 Force Majeure. If the party obligated to perform is prevented from performance by an act of war, order of legal authority, act of God, or other unavoidable cause not attributable to the fault or negligence of said party, the other party shall grant such party relief from the performance of this Agreement. The burden of proof for the need of such relief shall rest upon the party obligated to perform. To obtain release based on force majeure, the party obligated to perform shall file a written request with the other party.

11.7 No Waiver of Sovereign Immunity. Nothing herein shall be construed as a waiver of sovereign immunity by Williamson County.

11.8 Current Revenues. Under Texas law, a contract with a governmental entity that contains a claim against future revenues is void; therefore, each party paying for the performance of governmental functions or services must make those payments from current revenues available to the paying party.

11.9 Compliance with Laws. Contractor shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any matter affecting the performance of this Agreement, including, without limitation, Worker's Compensation laws, minimum and maximum salary and wage statutes and regulations, licensing laws and regulations. When required, Contractor shall furnish the County with certification of compliance with said laws, statutes, ordinances, rules, regulations, orders, and decrees above specified.

11.10 Audit by County: Contractor further agrees that County or its duly authorized representatives shall, until the expiration of three (3) years after final payment under this Agreement, have access to and the right to examine and photocopy any and all books,

documents, papers and records of Contractor, which are directly pertinent to the services to be performed under this Agreement for the purposes of making audits, examinations, excerpts, and transcriptions. Contractor agrees that County shall have access during normal working hours to all necessary Contractor facilities and shall be provided adequate and appropriate work space in order to conduct audits in compliance with the provisions of this section. County shall give Contractor reasonable advance notice of intended audits.

11.11 Entire Agreement; Modifications. This Agreement supersedes all prior agreements, written or oral, between Contractor and Owner and shall constitute the entire Agreement and understanding between the parties with respect to the Project. This Agreement and each of its provisions shall be binding upon the parties and may not be waived, modified, amended or altered except by a writing signed by Contractor and Owner.

BY SIGNING BELOW, the Parties have executed and bound themselves to this Agreement effective as of the date of the last party's execution hereof.

OWNER:

WILLIAMSON COUNTY, TEXAS,
a political subdivision of the state of Texas

By: _____

Printed Name: _____

Title: _____

Date: _____

Party Representatives

Contractor's Designated Representative
Gary Wilson
Williamson County Facilities Director
3101 SE Inner Loop
Georgetown, Texas 78626
Phone (512) 943 1636

CONTRACTOR:

WILLO PRODUCTS COMPANY, INC.

By: 

Printed Name: J. H. OZIERE

Title: EXEC. V.P.

Date: 12/17/12

Owner's Designated Representative:

Jerry Riggs
Willo Products Company, Inc.
714 Willo Industrial Drive SE
Decatur, AL 35601
Phone (256) 353-7161 Ext. 266
Fax (256) 350-8436

EXHIBIT 1

SCOPE OF WORK

GENERAL DESCRIPTION - SECOND AND THIRD FLOOR OF THE WILLIAMSON COUNTY JAIL

Contractor will convert existing EM-1 Locking Devices to the Willo E-1 Locking Device in the Williamson County Jail. The new devices will have a motor over each door allowing the door to be operated open or close independent of the position of any other door in the cellblock. Should one door be blocked by an obstruction it will not affect the operation of the remaining doors in that cellblock.

A higher level of security will be achieved through limit switches that monitor both the position of the lock bar as well as the position of the door. A secure indication is given for each door via a green LED in the Control Cabinet only when the door is in the closed position and the lock bar is in the locked position. Should the door be closed and appear locked, but the lock bar is not in the locked position, the unsecure indication lamp will illuminate.

The E-1 Locking Device is a rack and pinion device which offers other advantages such as being non-back-drivable. This means that if an inmate blocks the door when it is almost closed, he cannot force the door back open to attack the officer. Also, if a door is blocked by an inmate and the officer does not check for secure indication, the inmate cannot push the door back open at a later time. In both instances the door will hold its present position via the engagement of the rack and pinion gear and the locking of the motor hold-down bracket. However, this DOES NOT mean the door is secure.

Since Contractor was the original manufacturer of the existing locking system, Contractor is able to convert it to an E-1 Locking Device while reusing a substantial amount of the existing locking device. This allows Contractor to provide Owner with a new locking system at a substantial cost savings over a total device replacement. Using much of the existing equipment, especially the steel housings, the lock bars, and portions of the wheel bar units, allows for a much reduced construction schedule and less than one-third the down time and interruption for the facility. Contractor will not have to remove the steel housing; but only modify the internal mechanism by removing some of the components and adding others.

To convert Owner's present EM-1 system to an E-1 system, Contractor will remove all components from the transom not needed for the E-1 system. This includes the parallel unit with bell cranks and engagement pins. Contractor will then install a motor mount bracket and motor over each door, a wiring harness, a motor hold-down assembly, a 1" rack with rack supports to attach to the existing wheel bar unit, and an end of travel limit switch and switch bracket at each end of the device travel. The existing selector rods will be converted to become individual mechanical release rods with kicker brackets for remote manual individual release of each device. A multi-conductor wire cable will be pulled from the Release Cabinet to each door and terminated at both ends.

Each Control Cabinet will be converted to provide electrical hard-wired control of each door. Each door associated with that cabinet will then operate in one of four possible positions: (a) electrical operation of each separate door, (b) electrical group operation of all cell doors, (c) manual operation of each separate door, and (d) manual group release of all cell doors.

EQUIPMENT COVERED (Second and Third Floor of Williamson County Jail)

- 156 – EM Locking Devices (to be upgraded to Willo E-1 Rack and Pinion Locking Devices)
- 16 – EM Control Cabinets (to be upgraded to Willo Hard-Wired Controls with Manual Release)

DETAILS OF THE WORK

1. Labor for Demolition and Removal of the obsolete equipment both within the Manual Release Cabinets and the Sliding Device operators.
2. Upgrade kits and labor to convert the existing EM devices to E1 devices.
3. Upgrade kits and labor to convert the EM Control Cabinets to E1 Control Cabinets and include Hard-wire Door Control Panels in each Control Cabinet for Electrical Control of all doors associated with that cabinet.
4. Provide, install and terminate all wiring between Sliding Door operator and Control Cabinet.
5. Clean the transoms, lubricate all moving parts, and properly adjust the new locking device and manual release mechanism.
6. Touch up primer inside the transom, on the bottom of the transom where welding has burned the paint, and on the release cabinet where welding and grinding has damaged the paint.
7. Clean up the area, wipe grease and smudges off the outside of the equipment, and remove all debris from the Williamson County Jail.

EXCLUSIONS*:

The following exclusions are given to further clarify the terms of the Contractor's Scope of Work:

1. Delay when entering or exiting the Williamson County Jail. If lengthy delays should be expected Contractor will have to add for the additional time.
2. Repair or replacement of Glass & Glazing, Grout or grouting, Caulk, Caulking or Sealants.
3. Furnishing or Installation of Conduit and Raceway System other than inside our track boxes.
4. Furnishing of temporary electric power, water, and toilet facilities and lighting for our installation efforts.
5. **The facility agrees to provide easy and ample access to 220VAC power in all work areas for welders.**
6. Power wire, wiring & termination of same (Branch Power Circuits).

7. Taxes, Bond, or Retainage.
8. Any State and Local Taxes applicable to this project.
9. Any Building permits required by the City, County, or State.
10. Field Dimensions (Blueprints can be provided to Contractor).
11. Prevailing Wage Rates and Union Workers.
12. Any item not specifically listed above as being.

***Contractor agrees and acknowledges that Contractor shall not begin any additional work or provide any of the excluded items listed above and Owner shall not be obligated to pay for any additional work or excluded items listed above unless a written amendment to this Agreement has been signed in advance by both parties.**

The Contractor's Scope of Work includes the following items:

1. Willo E1 Fully Driven Rack and Pinion Locking Device(s).
2. MRC Conversion with appropriate linkages to door locking devices.
3. Willo Hard-Wired Control Faceplates and Relay Backplates (in MRC cabinets).
4. All supplies pertinent to and necessary for installation of new E1 Locking Device(s) and Controls.
5. Finish paint only as stated above.