

EXHIBIT 1

CONTRACT BY AND BETWEEN CITY OF DENTON, TEXAS AND BARCO CONSTRUCTION, INC. (RFP 5567)

THIS CONTRACT is made and entered into this 17th day of September 2014, by and between BARCO CONSTRUCTION, INC., a CORPORATION, whose address is 305 PLUM HOLLOW, Denton, TX 76207, hereinafter referred to as "Contractor," and the CITY OF DENTON, TEXAS, a Texas Municipal Corporation and Home-Rule City, hereinafter referred to as "City," to be effective upon approval of the Denton City Council and the subsequent execution of this Contract by the Denton City Manager or his duly authorized designee.

For and in consideration of the covenants and agreements contained herein, and for the mutual benefits to be obtained hereby, the parties agree as follows:

SCOPE OF SERVICES

Contractor shall provide construction services in accordance with the City's RFP #5567 UNDERGROUND ELECTRIC INSTALLATION SERVICES, a copy of which is on file at the office of Purchasing Agent and incorporated herein for all purposes as "Exhibit A". The Contract consists of this written agreement and the following items which are attached hereto and incorporated herein by reference:

- (a) City of Denton Request for Proposal # 5567 (**Exhibit "A"**)
- (b) City of Denton Standard Terms and Conditions (**Exhibit "B"**);
- (c) Payment and Performance Bonds (**Exhibit "C"**);
- (d) Insurance Requirements (**Exhibit "D"**);
- (e) Form CIQ – Conflict of Interest Questionnaire (**Exhibit "E"**);
- (f) Special Terms and Conditions (**Exhibit "F"**);
- (g) Contractor's Proposal. (**Exhibit "G"**);

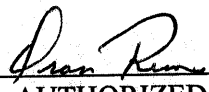
These documents make up the Contract documents and what is called for by one shall be as binding as if called for by all. In the event of an inconsistency or conflict in any of the provisions of the Contract documents, the inconsistency or conflict shall be resolved by giving precedence first to this written Contract, and then to the contract documents in the sequential order in which they are listed above. These documents shall be referred to collectively as "Contract Documents."

IN WITNESS WHEREOF, the parties of these presents have executed this agreement in the year and day first above written.

"CONTRACTOR"

Barco Construction

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By: 
AUTHORIZED SIGNATURE

TYPED NAME: Oran Reques

TITLE: President

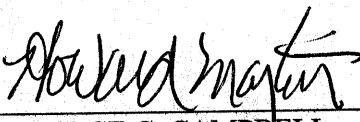
940-368-2229
PHONE NUMBER

borco-reques@msn.com
E-MAIL ADDRESS

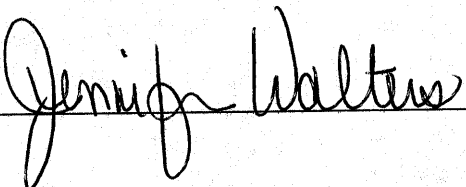
ATTEST:

By: _____

CITY OF DENTON, TEXAS
A Texas Municipal Corporation

By: 
GEORGE C. CAMPBELL
CITY MANAGER
Acting City Manager
10/8/14

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

By: 

APPROVED AS TO LEGAL FORM:
ANITA BURGESS, CITY ATTORNEY

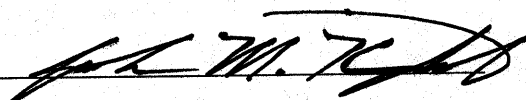
By: 

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EXHIBIT B

CITY OF DENTON STANDARD TERMS AND CONDITIONS

These standard Terms and Conditions and the Terms and Conditions contained in the specification, drawings and other requirements included in this City of Denton's solicitation are applicable to Contracts/Purchase Orders issued by the City of Denton hereinafter referred to as the City or Buyer and the Seller herein after referred to as the Proposer, Contractor or Supplier. Any deviations must be in writing and signed by a representative of the City's Procurement Department and the Supplier. No Terms and Conditions contained in the Seller's proposal response, Invoice or Statement shall serve to modify the terms set forth herein. If there is a conflict between the provisions in these standard Terms and Conditions, those in the Contract, those on the Purchase Order, or those contained in the specification, the more restrictive provisions shall take precedence.

By submitting an Offer in response to the Solicitation, the Contractor agrees that the Contract shall be governed by the following terms and conditions, unless exceptions are duly noted and fully negotiated.

1. CONTRACTOR'S OBLIGATIONS.

The Contractor shall fully and timely provide all deliverables described in the Solicitation and in the Contractor's Offer in strict accordance with the terms, covenants, and conditions of the Contract and all applicable Federal, State, and local laws, rules, and regulations.

2. EFFECTIVE DATE/TERM.

Unless otherwise specified in the Solicitation, this Contract shall be effective as of the date the contract is signed by the City, and shall continue in effect until all obligations are performed in accordance with the Contract.

3. Deleted

4. Deleted

5. TITLE & RISK OF LOSS:

Title to and risk of loss of the deliverables shall pass to the City only when the City actually receives and accepts the deliverables.

6. DELIVERY TERMS AND TRANSPORTATION CHARGES:

Deliverables shall be priced F.O.B. point of delivery unless otherwise specified in the Supplemental Terms and Conditions. Unless otherwise stated in the Offer, the Contractor's price shall be deemed to include all delivery and transportation charges. The place of delivery shall be determined with the issuance of an original PO.

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7. RIGHT OF INSPECTION AND REJECTION:

The City expressly reserves all rights under law, including, but not limited to the Uniform Commercial Code, to inspect the deliverables at delivery before accepting them, and to reject defective or non-conforming deliverables. If the City has the right to inspect the Contractor's, or the Contractor's Subcontractor's, facilities, or the deliverables at the Contractor's, or the Contractor's Subcontractor's, premises, the Contractor shall furnish, or cause to be furnished, without additional charge, all reasonable facilities and assistance to the City to facilitate such inspection.

8. NO REPLACEMENT OF DEFECTIVE TENDER:

Every tender or delivery of deliverables must fully comply with all provisions of the Contract as to time of delivery, quality, and quantity. Any non-complying tender shall constitute a breach and the Contractor shall not have the right to substitute a conforming tender; provided, where the time for performance has not yet expired, the Contractor may notify the City of the intention to cure and may then make a conforming tender within the time allotted in the contract.

9. PLACE AND CONDITION OF WORK:

The City shall provide the Contractor access to the site where the Contractor is to perform the services as required in order for the Contractor to perform the services in a timely and efficient manner and in accordance with, and subject to, the applicable security laws, rules, and regulations. The Contractor acknowledges that it has satisfied itself as to the nature of the City's service requirements and specifications, the location and essential characteristics of the work site, the quality and quantity of materials, equipment, labor and facilities necessary to perform the services, and any other condition or state of fact which could in any way affect performance of the Contractor's obligations under the contract. The Contractor hereby releases and holds the City harmless from and against any liability or claim for damages of any kind or nature if the actual site or service conditions differ from expected conditions.

10. WORKFORCE:

A. The Contractor shall employ only orderly and competent workers, skilled in the performance of the services which they will perform under the Contract.

B. The Contractor, its employees, subcontractors, and subcontractor's employees may not while engaged in participating or responding to a solicitation or while in the course and scope of delivering goods or services under a City of Denton contract or on the City's property:

- i. use or possess a firearm, including a concealed handgun that is licensed under state law, except as required by the terms of the contract; or
- ii. use or possess alcoholic or other intoxicating beverages, illegal drugs or controlled substances, nor may such workers be intoxicated, or under the influence of alcohol or drugs, on the job.

C. If the City or the City's representative notifies the Contractor that any worker is incompetent, disorderly or disobedient, has knowingly or repeatedly violated safety regulations, has possessed any firearms, or has possessed or was under the influence of alcohol or drugs on the job, the Contractor shall immediately remove such worker from Contract services, and may not employ

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such worker again on Contract services without the City's prior written consent.

Immigration: The Contractor represents and warrants that it shall comply with the requirements of the Immigration Reform and Control Act of 1986 and 1990 regarding employment verification and retention of verification forms for any individuals hired on or after November 6, 1986, who will perform any labor or services under the Contract and the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 ("IIRIRA) enacted on September 30, 1996.

11. COMPLIANCE WITH HEALTH, SAFETY, AND ENVIRONMENTAL REGULATIONS:

The Contractor, it's Subcontractors, and their respective employees, shall comply fully with all applicable federal, state, and local health, safety, and environmental laws, ordinances, rules and regulations in the performance of the services, including but not limited to those promulgated by the City and by the Occupational Safety and Health Administration (OSHA). In case of conflict, the most stringent safety requirement shall govern. The Contractor shall indemnify and hold the City harmless from and against all claims, demands, suits, actions, judgments, fines, penalties and liability of every kind arising from the breach of the Contractor's obligations under this paragraph.

Environmental Protection: The Respondent shall be in compliance with all applicable standards, orders, or regulations issued pursuant to the mandates of the Clean Air Act (42 U.S.C. §7401 *et seq.*) and the Federal Water Pollution Control Act, as amended, (33 U.S.C. §1251 *et seq.*).

12. Deleted

13. PAYMENT:

A. All proper invoices need to be sent to The City of Denton, Texas, Accounts Payable. Approved invoices will be paid within thirty (30) calendar days of the City's receipt of the deliverables or of the invoice being received in Accounts Payable, whichever date is later.

B. If payment is not timely made (per paragraph A); interest shall accrue on the unpaid balance at the lesser of the rate specified in Texas Government Code Section 2251.025; except, if payment is not timely made for a reason for which the City may withhold payment hereunder, interest shall not accrue until ten (10) calendar days after the grounds for withholding payment have been resolved.

C. If partial shipments or deliveries are authorized by the City, the Contractor will be paid for the partial shipment or delivery, as stated above, provided that the invoice matches the shipment or delivery.

D. The City may withhold or set off the entire payment or part of any payment otherwise due the Contractor to such extent as may be necessary on account of:

- i. delivery of defective or non-conforming deliverables by the Contractor;
- ii. third party claims, which are not covered by the insurance which the Contractor is required to provide, are filed or reasonable evidence indicating probable filing of such claims;
- iii. failure of the Contractor to pay Subcontractors, or for labor, materials or equipment;
- iv. damage to the property of the City or the City's agents, employees or contractors, which is not covered by insurance required to be provided by the Contractor;

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- v. reasonable evidence that the Contractor's obligations will not be completed within the time specified in the Contract, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay;
- vi. failure of the Contractor to submit proper invoices with purchase order number, with all required attachments and supporting documentation; or
- vii. failure of the Contractor to comply with any material provision of the Contract Documents.

E. Notice is hereby given that any awarded firm who is in arrears to the City of Denton for delinquent taxes, the City may offset indebtedness owed the City through payment withholding.

F. Payment will be made by check unless the parties mutually agree to payment by credit card or electronic transfer of funds. The Contractor agrees that there shall be no additional charges, surcharges, or penalties to the City for payments made by credit card or electronic funds transfer.

G. The awarding or continuation of this Contract is dependent upon the availability of funding. The City's payment obligations are payable only and solely from funds that are appropriated and available for this Contract. The absence of appropriated or other lawfully available funds shall render the Contract null and void to the extent funds are not appropriated or available and any deliverables delivered but unpaid shall be returned to the Contractor. The City shall provide the Contractor written notice of the failure of the City to make an adequate appropriation for any fiscal year to pay the amounts due under the Contract, or the reduction of any appropriation to an amount insufficient to permit the City to pay its obligations under the Contract. In the event of none or inadequate appropriation of funds, there will be no penalty nor removal fees charged to the City.

14. TRAVEL EXPENSES:

All travel, lodging and per diem expenses in connection with the Contract shall be paid by the Contractor, unless otherwise stated in the contract terms.

15. FINAL PAYMENT AND CLOSE-OUT:

A. If a DBE/MBE/WBE Program Plan is agreed to and the Contractor has identified Subcontractors, the Contractor is required to submit a Contract Close-Out MBE/WBE Compliance Report to the Purchasing Manager no later than the 15th calendar day after completion of all work under the contract. Final payment, retainage, or both may be withheld if the Contractor is not in compliance with the requirements as accepted by the City.

B. The making and acceptance of final payment will constitute:

- i. a waiver of all claims by the City against the Contractor, except claims (1) which have been previously asserted in writing and not yet settled, (2) arising from defective work appearing after final inspection, (3) arising from failure of the Contractor to comply with the Contract or the terms of any warranty specified herein, (4) arising from the Contractor's continuing obligations under the Contract, including but not limited to indemnity and warranty obligations, or (5) arising under the City's right to audit; and
- ii. a waiver of all claims by the Contractor against the City other than those previously asserted in writing and not yet settled.

16. SPECIAL TOOLS & TEST EQUIPMENT:

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If the price stated on the Offer includes the cost of any special tooling or special test equipment fabricated or required by the Contractor for the purpose of filling this order, such special tooling equipment and any process sheets related thereto shall become the property of the City and shall be identified by the Contractor as such.

17. RIGHT TO AUDIT:

- A. The City shall have the right to audit and make copies of the books, records and computations pertaining to the Contract. The Contractor shall retain such books, records, documents and other evidence pertaining to the Contract period and five years thereafter, except if an audit is in progress or audit findings are yet unresolved, in which case records shall be kept until all audit tasks are completed and resolved. These books, records, documents and other evidence shall be available, within ten (10) business days of written request. Further, the Contractor shall also require all Subcontractors, material suppliers, and other payees to retain all books, records, documents and other evidence pertaining to the Contract, and to allow the City similar access to those documents. All books and records will be made available within a 50 mile radius of the City of Denton. The cost of the audit will be borne by the City unless the audit reveals an overpayment of 1% or greater. If an overpayment of 1% or greater occurs, the reasonable cost of the audit, including any travel costs, must be borne by the Contractor which must be payable within five (5) business days of receipt of an invoice.
- B. Failure to comply with the provisions of this section shall be a material breach of the Contract and shall constitute, in the City's sole discretion, grounds for termination thereof. Each of the terms "books", "records", "documents" and "other evidence", as used above, shall be construed to include drafts and electronic files, even if such drafts or electronic files are subsequently used to generate or prepare a final printed document.

18. SUBCONTRACTORS:

- A. If the Contractor identified Subcontractors in a DBE/MBE/WBE agreed to Plan, the Contractor shall comply with all requirements approved by the City. The Contractor shall not initially employ any Subcontractor except as provided in the Contractor's Plan. The Contractor shall not substitute any Subcontractor identified in the Plan, unless the substitute has been accepted by the City in writing. No acceptance by the City of any Subcontractor shall constitute a waiver of any rights or remedies of the City with respect to defective deliverables provided by a Subcontractor. If a Plan has been approved, the Contractor is additionally required to submit a monthly Subcontract Awards and Expenditures Report to the Procurement Manager, no later than the tenth calendar day of each month.
- B. Work performed for the Contractor by a Subcontractor shall be pursuant to a written contract between the Contractor and Subcontractor. The terms of the subcontract may not conflict with the terms of the Contract, and shall contain provisions that:
 - i. require that all deliverables to be provided by the Subcontractor be provided in strict accordance with the provisions, specifications and terms of the Contract;
 - ii. prohibit the Subcontractor from further subcontracting any portion of the Contract without the prior written consent of the City and the Contractor. The City may require, as a condition to such further subcontracting, that the Subcontractor post a payment bond in

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form, substance and amount acceptable to the City;

- iii. require Subcontractors to submit all invoices and applications for payments, including any claims for additional payments, damages or otherwise, to the Contractor in sufficient time to enable the Contractor to include same with its invoice or application for payment to the City in accordance with the terms of the Contract;
- iv. require that all Subcontractors obtain and maintain, throughout the term of their contract, insurance in the type and amounts specified for the Contractor, with the City being a named insured as its interest shall appear; and
- v. require that the Subcontractor indemnify and hold the City harmless to the same extent as the Contractor is required to indemnify the City.

C. The Contractor shall be fully responsible to the City for all acts and omissions of the Subcontractors just as the Contractor is responsible for the Contractor's own acts and omissions. Nothing in the Contract shall create for the benefit of any such Subcontractor any contractual relationship between the City and any such Subcontractor, nor shall it create any obligation on the part of the City to pay or to see to the payment of any moneys due any such Subcontractor except as may otherwise be required by law.

D. The Contractor shall pay each Subcontractor its appropriate share of payments made to the Contractor not later than ten (10) calendar days after receipt of payment from the City.

19. WARRANTY-PRICE:

A. The Contractor warrants the prices quoted in the Offer are no higher than the Contractor's current prices on orders by others for like deliverables under similar terms of purchase.

B. The Contractor certifies that the prices in the Offer have been arrived at independently without consultation, communication, or agreement for the purpose of restricting competition, as to any matter relating to such fees with any other firm or with any competitor.

C. In addition to any other remedy available, the City may deduct from any amounts owed to the Contractor, or otherwise recover, any amounts paid for items in excess of the Contractor's current prices on orders by others for like deliverables under similar terms of purchase.

20. WARRANTY - TITLE:

The Contractor warrants that it has good and indefeasible title to all deliverables furnished under the Contract, and that the deliverables are free and clear of all liens, claims, security interests and encumbrances. The Contractor shall indemnify and hold the City harmless from and against all adverse title claims to the deliverables.

21. WARRANTY - DELIVERABLES:

The Contractor warrants and represents that all deliverables sold the City under the Contract shall be free from defects in design, workmanship or manufacture, and conform in all material respects to the specifications, drawings, and descriptions in the Solicitation, to any samples furnished by the Contractor, to the terms, covenants and conditions of the Contract, and to all applicable State, Federal or local laws, rules, and regulations, and industry codes and standards. Unless otherwise stated in the Solicitation, the deliverables shall be new or recycled merchandise, and not used or reconditioned.

- A. Only new materials shall be used for this project.

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- B. The Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law; and any attempt to do so shall be without force or effect.
- C. Unless otherwise specified in the Contract, the warranty period shall be at least 12 months from the date of acceptance of the deliverables or from the date of acceptance of any replacement deliverables. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand either repair the non-conforming deliverables, or replace the non-conforming deliverables with fully conforming deliverables, at the City's option and at no additional cost to the City. All costs incidental to such repair or replacement, including but not limited to, any packaging and shipping costs shall be borne exclusively by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach of warranty, but failure to give timely notice shall not impair the City's rights under this section.
- D. If the Contractor is unable or unwilling to repair or replace defective or non-conforming deliverables as required by the City, then in addition to any other available remedy, the City may reduce the quantity of deliverables it may be required to purchase under the Contract from the Contractor, and purchase conforming deliverables from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such deliverables from another source.
- E. If the Contractor is not the manufacturer, and the deliverables are covered by a separate manufacturer's warranty, the Contractor shall transfer and assign such manufacturer's warranty to the City. If for any reason the manufacturer's warranty cannot be fully transferred to the City, the Contractor shall assist and cooperate with the City to the fullest extent to enforce such manufacturer's warranty for the benefit of the City.

22. WARRANTY – SERVICES:

The Contractor warrants and represents that all services to be provided the City under the Contract will be fully and timely performed in a good and workmanlike manner in accordance with generally accepted industry standards and practices, the terms, conditions, and covenants of the Contract, and all applicable Federal, State and local laws, rules or regulations.

- A. Contractor may not limit, exclude or disclaim the foregoing warranty or any warranty implied by law, and any attempt to do so shall be without force or effect.
- B. Unless otherwise specified in the Contract, the warranty period shall be at least for a minimum period of 18 months following project completion or 12 months from the date the station construction is accepted by the Owner. If during the warranty period, one or more of the above warranties are breached, the Contractor shall promptly upon receipt of demand perform the services again in accordance with above standard at no additional cost to the City. All costs incidental to such additional performance shall be borne by the Contractor. The City shall endeavor to give the Contractor written notice of the breach of warranty within thirty (30) calendar days of discovery of the breach warranty, but failure to give timely notice shall not impair the City's rights under this section.
- C. If the Contractor is unable or unwilling to perform its services in accordance with the above standard as required by the City, then in addition to any other available remedy, the City may reduce the amount of services it may be required to purchase under the Contract from the

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Contractor, and purchase conforming services from other sources. In such event, the Contractor shall pay to the City upon demand the increased cost, if any, incurred by the City to procure such services from another source.

23. ACCEPTANCE OF INCOMPLETE OR NON-CONFORMING DELIVERABLES:

If, instead of requiring immediate correction or removal and replacement of defective or non-conforming deliverables, the City prefers to accept it, the City may do so. The Contractor shall pay all claims, costs, losses and damages attributable to the City's evaluation of and determination to accept such defective or non-conforming deliverables. If any such acceptance occurs prior to final payment, the City may deduct such amounts as are necessary to compensate the City for the diminished value of the defective or non-conforming deliverables. If the acceptance occurs after final payment, such amount will be refunded to the City by the Contractor.

24. RIGHT TO ASSURANCE:

Whenever one party to the Contract in good faith has reason to question the other party's intent to perform, demand may be made to the other party for written assurance of the intent to perform. In the event that no assurance is given within the time specified after demand is made, the demanding party may treat this failure as an anticipatory repudiation of the Contract.

25. STOP WORK NOTICE:

The City may issue an immediate Stop Work Notice in the event the Contractor is observed performing in a manner that is in violation of Federal, State, or local guidelines, or in a manner that is determined by the City to be unsafe to either life or property. Upon notification, the Contractor will cease all work until notified by the City that the violation or unsafe condition has been corrected. The Contractor shall be liable for all costs incurred by the City as a result of the issuance of such Stop Work Notice.

26. DEFAULT:

The Contractor shall be in default under the Contract if the Contractor (a) fails to fully, timely and faithfully perform any of its material obligations under the Contract, (b) fails to provide adequate assurance of performance under Paragraph 24, (c) becomes insolvent or seeks relief under the bankruptcy laws of the United States or (d) makes a material misrepresentation in Contractor's Offer, or in any report or deliverable required to be submitted by the Contractor to the City.

27. TERMINATION FOR CAUSE:

In the event of a default by the Contractor, the City shall have the right to terminate the Contract for cause, by written notice effective ten (10) calendar days, unless otherwise specified, after the date of such notice, unless the Contractor, within such ten (10) day period, cures such default, or provides evidence sufficient to prove to the City's reasonable satisfaction that such default does not, in fact, exist. In addition to any other remedy available under law or in equity, the City shall

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be entitled to recover all actual damages, costs, losses and expenses, incurred by the City as a result of the Contractor's default, including, without limitation, cost of cover, reasonable attorneys' fees, court costs, and prejudgment and post-judgment interest at the maximum lawful rate. Additionally, in the event of a default by the Contractor, the City may remove the Contractor from the City's vendor list for three (3) years and any Offer submitted by the Contractor may be disqualified for up to three (3) years. All rights and remedies under the Contract are cumulative and are not exclusive of any other right or remedy provided by law.

28. TERMINATION WITHOUT CAUSE:

The City shall have the right to terminate the Contract, in whole or in part, without cause any time upon thirty (30) calendar days' prior written notice. Upon receipt of a notice of termination, the Contractor shall promptly cease all further work pursuant to the Contract, with such exceptions, if any, specified in the notice of termination. The City shall pay the Contractor, to the extent of funds appropriated or otherwise legally available for such purposes, for all goods delivered and services performed and obligations incurred prior to the date of termination in accordance with the terms hereof.

29. FRAUD:

Fraudulent statements by the Contractor on any Offer or in any report or deliverable required to be submitted by the Contractor to the City shall be grounds for the termination of the Contract for cause by the City and may result in legal action.

30. DELAYS:

- A. The City may delay scheduled delivery or other due dates by written notice to the Contractor if the City deems it is in its best interest. If such delay causes an increase in the cost of the work under the Contract, the City and the Contractor shall negotiate an equitable adjustment for costs incurred by the Contractor in the Contract price and execute an amendment to the Contract. The Contractor must assert its right to an adjustment within thirty (30) calendar days from the date of receipt of the notice of delay. Failure to agree on any adjusted price shall be handled under the Dispute Resolution process specified in paragraph 49. However, nothing in this provision shall excuse the Contractor from delaying the delivery as notified.
- B. Neither party shall be liable for any default or delay in the performance of its obligations under this Contract if, while and to the extent such default or delay is caused by acts of God, fire, riots, civil commotion, labor disruptions, sabotage, sovereign conduct, or any other cause beyond the reasonable control of such Party. In the event of default or delay in contract performance due to any of the foregoing causes, then the time for completion of the services will be extended; provided, however, in such an event, a conference will be held within three (3) business days to establish a mutually agreeable period of time reasonably necessary to overcome the effect of such failure to perform.

31. INDEMNITY:

A. Definitions:

- i. "Indemnified Claims" shall include any and all claims, demands, suits, causes of action,

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judgments and liability of every character, type or description, including all reasonable costs and expenses of litigation, mediation or other alternate dispute resolution mechanism, including attorney and other professional fees for: (1) damage to or loss of the property of any person (including, but not limited to the City, the Contractor, their respective agents, officers, employees and subcontractors; the officers, agents, and employees of such subcontractors; and third parties); and/or (2) death, bodily injury, illness, disease, worker's compensation, loss of services, or loss of income or wages to any person (including but not limited to the agents, officers and employees of the City, the Contractor, the Contractor's subcontractors, and third parties),

- ii. "Fault" shall include the sale of defective or non-conforming deliverables, negligence, willful misconduct or a breach of any legally imposed strict liability standard.

B. THE CONTRACTOR SHALL DEFEND (AT THE OPTION OF THE CITY), INDEMNIFY, AND HOLD THE CITY, ITS SUCCESSORS, ASSIGNS, OFFICERS, EMPLOYEES AND ELECTED OFFICIALS HARMLESS FROM AND AGAINST ALL INDEMNIFIED CLAIMS DIRECTLY ARISING OUT OF, INCIDENT TO, CONCERNING OR RESULTING FROM THE FAULT OF THE CONTRACTOR, OR THE CONTRACTOR'S AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THE CONTRACTOR'S OBLIGATIONS UNDER THE CONTRACT. NOTHING HEREIN SHALL BE DEEMED TO LIMIT THE RIGHTS OF THE CITY OR THE CONTRACTOR (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO SEEK CONTRIBUTION) AGAINST ANY THIRD PARTY WHO MAY BE LIABLE FOR AN INDEMNIFIED CLAIM.

32. INSURANCE:

The following insurance requirements are applicable, in addition to the specific insurance requirements detailed in **Attachment A**. The successful firm shall procure and maintain insurance of the types and in the minimum amounts acceptable to the City of Denton. The insurance shall be written by a company licensed to do business in the State of Texas and satisfactory to the City of Denton.

A. General Requirements:

- i. The Contractor shall at a minimum carry insurance in the types and amounts indicated and agreed to, as submitted to the City and approved by the City within the procurement process, for the duration of the Contract, including extension options and hold over periods, and during any warranty period.
- ii. The Contractor shall provide Certificates of Insurance with the coverages and endorsements required to the City as verification of coverage prior to contract execution and within fourteen (14) calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or hold over period is exercised, as verification of continuing coverage.
- iii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be

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construed to be a limitation of liability on the part of the Contractor.

- iv. The Contractor must submit certificates of insurance to the City for all subcontractors prior to the subcontractors commencing work on the project.
- v. The Contractor's and all subcontractors' insurance coverage shall be written by companies licensed to do business in the State of Texas at the time the policies are issued and shall be written by companies with A.M. Best ratings of B+VII or better. The City will accept workers' compensation coverage written by the Texas Workers' Compensation Insurance Fund.
- vi. All endorsements naming the City as additional insured, waivers, and notices of cancellation endorsements as well as the Certificate of Insurance shall contain the solicitation number and the following information:

City of Denton, Texas
Materials Management Department
901B Texas Street
Denton, Texas 76209
- vii. The "other insurance" clause shall not apply to the City where the City is an additional insured shown on any policy. It is intended that policies required in the Contract, covering both the City and the Contractor, shall be considered primary coverage as applicable.
- viii. If insurance policies are not written for amounts agreed to with the City, the Contractor shall carry Umbrella or Excess Liability Insurance for any differences in amounts specified. If Excess Liability Insurance is provided, it shall follow the form of the primary coverage.
- ix. The City shall be entitled, upon request, at an agreed upon location, and without expense, to review certified copies of policies and endorsements thereto 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 regulations binding upon either of the parties hereto or the underwriter on any such policies.
- x. The City reserves the right to review the insurance requirements set forth during the effective period of the Contract and to make reasonable adjustments to insurance coverage, limits, and exclusions when deemed necessary and prudent by the City based upon changes in statutory law, court decisions, the claims history of the industry or financial condition of the insurance company as well as the Contractor.
- xi. The Contractor shall not cause any insurance to be canceled nor permit any insurance to lapse during the term of the Contract or as required in the Contract.
- xii. The Contractor shall be responsible for premiums, deductibles and self-insured retentions, if any, stated in policies. All deductibles or self-insured retentions shall be disclosed on the Certificate of Insurance.
- xiii. The Contractor shall endeavor to provide the City thirty (30) calendar days' written notice of erosion of the aggregate limits below occurrence limits for all applicable coverage's indicated within the Contract.

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xiv. The insurance coverages specified in within the solicitation and requirements are required minimums and are not intended to limit the responsibility or liability of the Contractor.

B. Specific Coverage Requirements: Specific insurance requirements are contained in the solicitation instrument.

33. CLAIMS:

If any claim, demand, suit, or other action is asserted against the Contractor which arises under or concerns the Contract, or which could have a material adverse affect on the Contractor's ability to perform thereunder, the Contractor shall give written notice thereof to the City within ten (10) calendar days after receipt of notice by the Contractor. Such notice to the City shall state the date of notification of any such claim, demand, suit, or other action; the names and addresses of the claimant(s); the basis thereof; and the name of each person against whom such claim is being asserted. Such notice shall be delivered personally or by mail and shall be sent to the City and to the Denton City Attorney. Personal delivery to the City Attorney shall be to City Hall, 215 East McKinney Street, Denton, Texas 76201.

34. NOTICES:

Unless otherwise specified, all notices, requests, or other communications required or appropriate to be given under the Contract shall be in writing and shall be deemed delivered three (3) business days after postmarked if sent by U.S. Postal Service Certified or Registered Mail, Return Receipt Requested. Notices delivered by other means shall be deemed delivered upon receipt by the addressee. Routine communications may be made by first class mail, telefax, or other commercially accepted means. Notices to the Contractor shall be sent to the address specified in the Contractor's Offer, or at such other address as a party may notify the other in writing. Notices to the City shall be addressed to the City at 901B Texas Street, Denton, Texas 76209 and marked to the attention of the Purchasing Manager.

35. RIGHTS TO BID, PROPOSAL AND CONTRACTUAL MATERIAL:

All material submitted by the Contractor to the City shall become property of the City upon receipt. Any portions of such material claimed by the Contractor to be proprietary must be clearly marked as such. Determination of the public nature of the material is subject to the Texas Public Information Act, Chapter 552, and Texas Government Code.

36. NO WARRANTY BY CITY AGAINST INFRINGEMENTS:

The Contractor represents and warrants to the City that: (i) the Contractor shall provide the City good and indefeasible title to the deliverables and (ii) the deliverables supplied by the Contractor in accordance with the specifications in the Contract will not infringe, directly or contributorily, any patent, trademark, copyright, trade secret, or any other intellectual property right of any kind of any third party; that no claims have been made by any person or entity with respect to the ownership or operation of the deliverables and the Contractor does not know of any valid basis for any such claims. The Contractor shall, at its sole expense, defend, indemnify, and hold the City harmless from and against all liability, damages, and costs (including court costs and

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reasonable fees of attorneys and other professionals) arising out of or resulting from: (i) any claim that the City's exercise anywhere in the world of the rights associated with the City's ownership, and if applicable, license rights, and its use of the deliverables infringes the intellectual property rights of any third party; or (ii) the Contractor's breach of any of Contractor's representations or warranties stated in this Contract. In the event of any such claim, the City shall have the right to monitor such claim or at its option engage its own separate counsel to act as co-counsel on the City's behalf. Further, Contractor agrees that the City's specifications regarding the deliverables shall in no way diminish Contractor's warranties or obligations under this paragraph and the City makes no warranty that the production, development, or delivery of such deliverables will not impact such warranties of Contractor.

37. CONFIDENTIALITY:

In order to provide the deliverables to the City, Contractor may require access to certain of the City's and/or its licensors' confidential information (including inventions, employee information, trade secrets, confidential know-how, confidential business information, and other information which the City or its licensors consider confidential) (collectively, "Confidential Information"). Contractor acknowledges and agrees that the Confidential Information is the valuable property of the City and/or its licensors and any unauthorized use, disclosure, dissemination, or other release of the Confidential Information will substantially injure the City and/or its licensors. The Contractor (including its employees, subcontractors, agents, or representatives) agrees that it will maintain the Confidential Information in strict confidence and shall not disclose, disseminate, copy, divulge, recreate, or otherwise use the Confidential Information without the prior written consent of the City or in a manner not expressly permitted under this Agreement, unless the Confidential Information is required to be disclosed by law or an order of any court or other governmental authority with proper jurisdiction, provided the Contractor promptly notifies the City before disclosing such information so as to permit the City reasonable time to seek an appropriate protective order. The Contractor agrees to use protective measures no less stringent than the Contractor uses within its own business to protect its own most valuable information, which protective measures shall under all circumstances be at least reasonable measures to ensure the continued confidentiality of the Confidential Information.

38. OWNERSHIP AND USE OF DELIVERABLES:

The City shall own all rights, titles, and interests throughout the world in and to the deliverables.

- A. Patents. As to any patentable subject matter contained in the deliverables, the Contractor agrees to disclose such patentable subject matter to the City. Further, if requested by the City, the Contractor agrees to assign and, if necessary, cause each of its employees to assign the entire right, title, and interest to specific inventions under such patentable subject matter to the City and to execute, acknowledge, and deliver and, if necessary, cause each of its employees to execute, acknowledge, and deliver an assignment of letters patent, in a form to be reasonably approved by the City, to the City upon request by the City.
- B. Copyrights. As to any deliverables containing copyrightable subject matter, the Contractor agrees that upon their creation, such deliverables shall be considered as work made-for-hire by the Contractor for the City and the City shall own all copyrights in and to such deliverables, provided however, that nothing in this Paragraph 38 shall negate the City's sole or joint ownership of any such deliverables arising by virtue of the City's sole or joint

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authorship of such deliverables. Should by operation of law, such deliverables not be considered works made-for-hire, the Contractor hereby assigns to the City (and agrees to cause each of its employees providing services to the City hereunder to execute, acknowledge, and deliver an assignment to the City of) all worldwide right, title, and interest in and to such deliverables. With respect to such work made-for-hire, the Contractor agrees to execute, acknowledge, and deliver and cause each of its employees providing services to the City hereunder to execute, acknowledge, and deliver a work-made-for-hire agreement, in a form to be reasonably approved by the City, to the City upon delivery of such deliverables to the City or at such other time as the City may request.

- C. **Additional Assignments.** The Contractor further agrees to, and if applicable, cause each of its employees to, execute, acknowledge, and deliver all applications, specifications, oaths, assignments, and all other instruments which the City might reasonably deem necessary in order to apply for and obtain copyright protection, mask work registration, trademark registration and/or protection, letters patent, or any similar rights in any and all countries and in order to assign and convey to the City, its successors, assigns and nominees, the sole and exclusive right, title, and interest in and to the deliverables. The Contractor's obligations to execute, acknowledge, and deliver (or cause to be executed, acknowledged, and delivered) instruments or papers such as those described in this Paragraph 38 a., b., and c. shall continue after the termination of this Contract with respect to such deliverables. In the event the City should not seek to obtain copyright protection, mask work registration or patent protection for any of the deliverables, but should desire to keep the same secret, the Contractor agrees to treat the same as Confidential Information under the terms of Paragraph 37 above.

39. PUBLICATIONS:

All published material and written reports submitted under the Contract must be originally developed material unless otherwise specifically provided in the Contract. When material not originally developed is included in a report in any form, the source shall be identified.

40. ADVERTISING:

The Contractor shall not advertise or publish, without the City's prior consent, the fact that the City has entered into the Contract, except to the extent required by law.

41. NO CONTINGENT FEES:

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon any agreement or understanding for commission, percentage, brokerage, or contingent fee, excepting bona fide employees of bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the City shall have the right, in addition to any other remedy available, to cancel the Contract without liability and to deduct from any amounts owed to the Contractor, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

42. GRATUITIES:

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The City may, by written notice to the Contractor, cancel the Contract without liability if it is determined by the City that gratuities were offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City of Denton with a view toward securing the Contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such contract. In the event the Contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold the amount of the cost incurred by the Contractor in providing such gratuities.

43. PROHIBITION AGAINST PERSONAL INTEREST IN CONTRACTS:

No officer, employee, independent consultant, or elected official of the City who is involved in the development, evaluation, or decision-making process of the performance of any solicitation shall have a financial interest, direct or indirect, in the Contract resulting from that solicitation. Any willful violation of this section shall constitute impropriety in office, and any officer or employee guilty thereof shall be subject to disciplinary action up to and including dismissal. Any violation of this provision, with the knowledge, expressed or implied, of the Contractor shall render the Contract voidable by the City. The Contractor shall complete and submit the City's Conflict of Interest Questionnaire (**Attachment G**).

44. INDEPENDENT CONTRACTOR:

The Contract shall not be construed as creating an employer/employee relationship, a partnership, or a joint venture. The Contractor's services shall be those of an independent contractor. The Contractor agrees and understands that the Contract does not grant any rights or privileges established for employees of the City of Denton, Texas for the purposes of income tax, withholding, social security taxes, vacation or sick leave benefits, worker's compensation, or any other City employee benefit. The City shall not have supervision and control of the Contractor or any employee of the Contractor, and it is expressly understood that Contractor shall perform the services hereunder according to the attached specifications at the general direction of the City Manager of the City of Denton, Texas, or his designee under this agreement.

45. ASSIGNMENT-DELEGATION:

The Contract shall be binding upon and inure to the benefit of the City and the Contractor and their respective successors and assigns, provided however, that no right or interest in the Contract shall be assigned and no obligation shall be delegated by the Contractor without the prior written consent of the City. Any attempted assignment or delegation by the Contractor shall be void unless made in conformity with this paragraph. The Contract is not intended to confer rights or benefits on any person, firm or entity not a party hereto; it being the intention of the parties that there are no third party beneficiaries to the Contract.

46. WAIVER:

No claim or right arising out of a breach of the Contract can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by

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consideration and is in writing signed by the aggrieved party. No waiver by either the Contractor or the City of any one or more events of default by the other party shall operate as, or be construed to be, a permanent waiver of any rights or obligations under the Contract, or an express or implied acceptance of any other existing or future default or defaults, whether of a similar or different character.

47. MODIFICATIONS:

The Contract can be modified or amended only by a writing signed by both parties. No pre-printed or similar terms on any the Contractor invoice, order or other document shall have any force or effect to change the terms, covenants, and conditions of the Contract.

48. INTERPRETATION:

The Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealing between the parties or course of performance or usage of the trade shall be relevant to supplement or explain any term used in the Contract. Although the Contract may have been substantially drafted by one party, it is the intent of the parties that all provisions be construed in a manner to be fair to both parties, reading no provisions more strictly against one party or the other. Whenever a term defined by the Uniform Commercial Code, as enacted by the State of Texas, is used in the Contract, the UCC definition shall control, unless otherwise defined in the Contract.

49. DISPUTE RESOLUTION:

- A. If a dispute arises out of or relates to the Contract, or the breach thereof, the parties agree to negotiate prior to prosecuting a suit for damages. However, this section does not prohibit the filing of a lawsuit to toll the running of a statute of limitations or to seek injunctive relief. Either party may make a written request for a meeting between representatives of each party within fourteen (14) calendar days after receipt of the request or such later period as agreed by the parties. Each party shall include, at a minimum, one (1) senior level individual with decision-making authority regarding the dispute. The purpose of this and any subsequent meeting is to attempt in good faith to negotiate a resolution of the dispute. If, within thirty (30) calendar days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will proceed directly to mediation as described below. Negotiation may be waived by a written agreement signed by both parties, in which event the parties may proceed directly to mediation as described below.
- B. If the efforts to resolve the dispute through negotiation fail, or the parties waive the negotiation process, the parties may select, within thirty (30) calendar days, a mediator trained in mediation skills to assist with resolution of the dispute. Should they choose this option; the City and the Contractor agree to act in good faith in the selection of the mediator and to give consideration to qualified individuals nominated to act as mediator. Nothing in the Contract prevents the parties from relying on the skills of a person who is trained in the subject matter of the dispute or a contract interpretation expert. If the parties fail to agree on a mediator within thirty (30) calendar days of initiation of the mediation process, the mediator shall be selected by the Denton County Alternative Dispute Resolution Program (DCAP). The parties agree to participate in mediation in good faith for up to thirty (30) calendar days

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from the date of the first mediation session. The City and the Contractor will share the mediator's fees equally and the parties will bear their own costs of participation such as fees for any consultants or attorneys they may utilize to represent them or otherwise assist them in the mediation.

50. JURISDICTION AND VENUE:

The Contract is made under and shall be governed by the laws of the State of Texas, including, when applicable, the Uniform Commercial Code as adopted in Texas, V.T.C.A., Bus. & Comm. Code, Chapter 1, excluding any rule or principle that would refer to and apply the substantive law of another state or jurisdiction. All issues arising from this Contract shall be resolved in the courts of Denton County, Texas and the parties agree to submit to the exclusive personal jurisdiction of such courts. The foregoing, however, shall not be construed or interpreted to limit or restrict the right or ability of the City to seek and secure injunctive relief from any competent authority as contemplated herein.

51. INVALIDITY:

The invalidity, illegality, or unenforceability of any provision of the Contract shall in no way affect the validity or enforceability of any other portion or provision of the Contract. Any void provision shall be deemed severed from the Contract and the balance of the Contract shall be construed and enforced as if the Contract did not contain the particular portion or provision held to be void. The parties further agree to reform the Contract to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision. The provisions of this section shall not prevent this entire Contract from being void should a provision which is the essence of the Contract be determined to be void.

52. HOLIDAYS:

The following holidays are observed by the City:

New Year's Day (observed)
MLK Day
Memorial Day
4th of July
Labor Day
Thanksgiving Day
Day After Thanksgiving
Christmas Eve (observed)
Christmas Day (observed)

If a Legal Holiday falls on Saturday, it will be observed on the preceding Friday. If a Legal Holiday falls on Sunday, it will be observed on the following Monday. Normal hours of operation shall be between 8:00 am and 4:00 pm, Monday through Friday, excluding City of Denton Holidays. Any scheduled deliveries or work performance not within the normal hours of operation must be approved by the City Manager of Denton, Texas or his authorized designee.

53. SURVIVABILITY OF OBLIGATIONS:

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All provisions of the Contract that impose continuing obligations on the parties, including but not limited to the warranty, indemnity, and confidentiality obligations of the parties, shall survive the expiration or termination of the Contract.

54. NON-SUSPENSION OR DEBARMENT CERTIFICATION:

The City of Denton is prohibited from contracting with or making prime or sub-awards to parties that are suspended or debarred or whose principals are suspended or debarred from Federal, State, or City of Denton Contracts. By accepting a Contract with the City, the Vendor certifies that its firm and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Denton.

55. EQUAL OPPORTUNITY

- A. **Equal Employment Opportunity:** No Offeror, or Offeror's agent, shall engage in any discriminatory employment practice. No person shall, on the grounds of race, sex, age, disability, creed, color, genetic testing, or national origin, be refused the benefits of, or be otherwise subjected to discrimination under any activities resulting from this RFQ.
- B. **Americans with Disabilities Act (ADA) Compliance:** No Offeror, or Offeror's agent, shall engage in any discriminatory employment practice against individuals with disabilities as defined in the ADA.

56. BUY AMERICAN ACT-SUPPLIES (Applicable to certain federally funded requirements – if applicable)

The following federally funded requirements are applicable, in addition to the specific federally funded requirements detailed in **Attachment B**.

- A. Definitions. As used in this paragraph –
 - i. "Component" means an article, material, or supply incorporated directly into an end product.
 - ii. "Cost of components" means -
 - (1) For components purchased by the Contractor, the acquisition cost, including transportation costs to the place of incorporation into the end product (whether or not such costs are paid to a domestic firm), and any applicable duty (whether or not a duty-free entry certificate is issued); or
 - (2) For components manufactured by the Contractor, all costs associated with the manufacture of the component, including transportation costs as described in paragraph (1) of this definition, plus allocable overhead costs, but excluding profit. Cost of components does not include any costs associated with the manufacture of the end product.
 - iii. "Domestic end product" means-
 - (1) An unmanufactured end product mined or produced in the United States; or
 - (2) An end product manufactured in the United States, if the cost of its components mined, produced, or manufactured in the United States exceeds 50 percent of the cost of all its

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components. Components of foreign origin of the same class or kind as those that the agency determines are not mined, produced, or manufactured in sufficient and reasonably available commercial quantities of a satisfactory quality are treated as domestic. Scrap generated, collected, and prepared for processing in the United States is considered domestic.

- iv. "End product" means those articles, materials, and supplies to be acquired under the contract for public use.
 - v. "Foreign end product" means an end product other than a domestic end product.
 - vi. "United States" means the 50 States, the District of Columbia, and outlying areas.
- B. The Buy American Act (41 U.S.C. 10a - 10d) provides a preference for domestic end products for supplies acquired for use in the United States.
- C. The City does not maintain a list of foreign articles that will be treated as domestic for this Contract; but will consider for approval foreign articles as domestic for this product if the articles are on a list approved by another Governmental Agency. The Offeror shall submit documentation with their Offer demonstrating that the article is on an approved Governmental list.
- D. The Contractor shall deliver only domestic end products except to the extent that it specified delivery of foreign end products in the provision of the Solicitation entitled "Buy American Act Certificate".

57. RIGHT TO INFORMATION:

The City of Denton reserves the right to use any and all information presented in any response to this solicitation, whether amended or not, except as prohibited by law. Selection or rejection of the submittal does not affect this right.

58. LICENSE FEES OR TAXES:

Provided the solicitation requires an awarded contractor or supplier to be licensed by the State of Texas, any and all fees and taxes are the responsibility of the respondent.

59. PREVAILING WAGE RATES:

All respondents will be required to comply with Provision 5159a of "Vernon's Annotated Civil Statutes" of the State of Texas with respect to the payment of prevailing wage rates and prohibiting discrimination in the employment practices.

<http://www.access.gpo.gov/davisbacon/tx.html>

60. COMPLIANCE WITH ALL STATE, FEDERAL, AND LOCAL LAWS:

The Contractor or Supplier shall comply with all State, Federal, and Local laws and requirements. The Respondent must comply with all applicable laws at all times, including, without limitation, the following: (i) §36.02 of the Texas Penal Code, which prohibits bribery; (ii) §36.09 of the Texas Penal Code, which prohibits the offering or conferring of benefits to public servants. The Respondent shall give all notices and comply with all laws and regulations applicable to furnishing and performance of the Contract.

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61. FEDERAL, STATE, AND LOCAL REQUIREMENTS:

Respondent shall demonstrate on-site compliance with the Federal Tax Reform Act of 1986, Section 1706, amending Section 530 of the Revenue Act of 1978, dealing with issuance of Form W-2's to common law employees. Respondent is responsible for both federal and State unemployment insurance coverage and standard Worker's Compensation insurance coverage. Respondent shall ensure compliance with all federal and State tax laws and withholding requirements. The City of Denton shall not be liable to Respondent or its employees for any Unemployment or Workers' Compensation coverage, or federal or State withholding requirements. Contractor shall indemnify the City of Denton and shall pay all costs, penalties, or losses resulting from Respondent's omission or breach of this Section.

62. DRUG FREE WORKPLACE:

The Contractor shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (Public Law 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.) and maintain a drug-free work environment; and the final rule, government-wide requirements for drug-free work place (grants), issued by the Office of Management and Budget and the Department of Defense (32 CFR Part 280, Subpart F) to implement the provisions of the Drug-Free Work Place Act of 1988 is incorporated by reference and the contractor shall comply with the relevant provisions thereof, including any amendments to the final rule that may hereafter be issued.

63. RESPONDENT LIABILITY FOR DAMAGE TO GOVERNMENT PROPERTY:

The Respondent shall be liable for all damages to government-owned, leased, or occupied property and equipment caused by the Respondent and its employees, agents, subcontractors, and suppliers, including any delivery or cartage company, in connection with any performance pursuant to the Contract. The Respondent shall notify the City of Denton Procurement Manager in writing of any such damage within one (1) calendar day.

64. FORCE MAJEURE:

The City of Denton, any Customer, and the Respondent shall not be responsible for performance under the Contract should it be 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 the City of Denton. In the event of an occurrence under this Section, the Respondent will be excused from any further performance or observance of the requirements so affected for as long as such circumstances prevail and the Respondent continues to use commercially reasonable efforts to recommence performance or observance whenever and to whatever extent possible without delay. The Respondent shall immediately notify the City of Denton Procurement Manager by telephone (to be confirmed in writing within five (5) calendar days of the inception of such occurrence) and describe at a reasonable level of detail the circumstances causing the non-performance or delay in performance.

65. NON-WAIVER OF RIGHTS:

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Failure of a Party to require performance by another Party under the Contract will not affect the right of such Party to require performance in the future. No delay, failure, or waiver of either Party's exercise or partial exercise of any right or remedy under the Contract shall operate to limit, impair, preclude, cancel, waive or otherwise affect such right or remedy. A waiver by a Party of any breach of any term of the Contract will not be construed as a waiver of any continuing or succeeding breach.

66. NO WAIVER OF SOVEREIGN IMMUNITY:

The Parties expressly agree that no provision of the Contract is in any way intended to constitute a waiver by the City of Denton of any immunities from suit or from liability that the City of Denton may have by operation of law.

67. RECORDS RETENTION:

The Respondent shall retain all financial records, supporting documents, statistical records, and any other records or books relating to the performances called for in the Contract. The Respondent shall retain all such records for a period of five (5) years after the expiration of the Contract, or until the CPA or State Auditor's Office is satisfied that all audit and litigation matters are resolved, whichever period is longer. The Respondent shall grant access to all books, records and documents pertinent to the Contract to the CPA, the State Auditor of Texas, and any federal governmental entity that has authority to review records due to federal funds being spent under the Contract.

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EXHIBIT D INSURANCE REQUIREMENTS AND WORKERS' COMPENSATION REQUIREMENTS

Upon contract execution, all insurance requirements shall become contractual obligations, which the successful contractor shall have a duty to maintain throughout the course of this contract.

STANDARD PROVISIONS:

Without limiting any of the other obligations or liabilities of the Contractor, the Contractor shall provide and maintain until the contracted work has been completed and accepted by the City of Denton, Owner, the minimum insurance coverage as indicated hereinafter.

Contractor shall file with the Purchasing Department satisfactory certificates of insurance including any applicable addendum or endorsements, containing the contract number and title of the project. Contractor may, upon written request to the Purchasing Department, ask for clarification of any insurance requirements at any time; however, Contractor shall not commence any work or deliver any material until he or she receives notification that the contract has been accepted, approved, and signed by the City of Denton.

All insurance policies proposed or obtained in satisfaction of these requirements shall comply with the following general specifications, and shall be maintained in compliance with these general specifications throughout the duration of the Contract, or longer, if so noted:

- Each policy shall be issued by a company authorized to do business in the State of Texas with an A.M. Best Company rating of at least A- VII or better.
- Any deductibles or self-insured retentions shall be declared in the proposal. If requested by the City, the insurer shall reduce or eliminate such deductibles or self-insured retentions with respect to the City, its officials, agents, employees and volunteers; or, the contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- Liability policies shall be endorsed to provide the following:
 - Name as Additional Insured the City of Denton, its Officials, Agents, Employees and volunteers.
 - That such insurance is primary to any other insurance available to the Additional Insured with respect to claims covered under the policy and that this insurance applies separately to each insured against whom claim is made or suit is brought. The inclusion of more than one insured shall not operate to increase the insurer's limit of liability.
- *Cancellation: City requires 30 day written notice should any of the policies described on the certificate be cancelled or materially changed before the expiration date.*
- Should any of the required insurance be provided under a claims made form, Contractor shall maintain such coverage continuously throughout the term of this contract and, without lapse, for a period of three years beyond the contract expiration, such that occurrences arising during the

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contract term which give rise to claims made after expiration of the contract shall be covered.

- Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit providing for claims investigation or legal defense costs to be included in the general annual aggregate limit, the Contractor shall either double the occurrence limits or obtain Owners and Contractors Protective Liability Insurance.
- Should any required insurance lapse during the contract term, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this contract, effective as of the lapse date. If insurance is not reinstated, City may, at its sole option, terminate this agreement effective on the date of the lapse.

SPECIFIC ADDITIONAL INSURANCE REQUIREMENTS:

All insurance policies proposed or obtained in satisfaction of this Contract shall additionally comply with the following marked specifications, and shall be maintained in compliance with these additional specifications throughout the duration of the Contract, or longer, if so noted:

[X] A. General Liability Insurance:

General Liability insurance with combined single limits of not less than **\$1,000,000.00** shall be provided and maintained by the Contractor. The policy shall be written on an occurrence basis either in a single policy or in a combination of underlying and umbrella or excess policies.

If the Commercial General Liability form (ISO Form CG 0001 current edition) is used:

- Coverage A shall include premises, operations, products, and completed operations, independent contractors, contractual liability covering this contract and broad form property damage coverage.
- Coverage B shall include personal injury.
- Coverage C, medical payments, is not required.

If the Comprehensive General Liability form (ISO Form GL 0002 Current Edition and ISO Form GL 0404) is used, it shall include at least:

- Bodily injury and Property Damage Liability for premises, operations, products and completed operations, independent contractors and property damage resulting from explosion, collapse or underground (XCU) exposures.
- Broad form contractual liability (preferably by endorsement) covering this contract, personal injury liability and broad form property damage liability.

[X] Automobile Liability Insurance:

Contractor shall provide Commercial Automobile Liability insurance with Combined Single Limits (CSL) of not less than **\$500,000** either in a single policy or in a combination of basic and umbrella or excess policies. The policy will include bodily injury and property damage liability

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arising out of the operation, maintenance and use of all automobiles and mobile equipment used in conjunction with this contract.

Satisfaction of the above requirement shall be in the form of a policy endorsement for:

- any auto, or
- all owned hired and non-owned autos.

[X] Workers' Compensation Insurance

Contractor shall purchase and maintain Workers' Compensation insurance which, in addition to meeting the minimum statutory requirements for issuance of such insurance, has Employer's Liability limits of at least \$100,000 for each accident, \$100,000 per each employee, and a \$500,000 policy limit for occupational disease. The City need not be named as an "Additional Insured" but the insurer shall agree to waive all rights of subrogation against the City, its officials, agents, employees and volunteers for any work performed for the City by the Named Insured. For building or construction projects, the Contractor shall comply with the provisions of Attachment 1 in accordance with §406.096 of the Texas Labor Code and rule 28TAC 110.110 of the Texas Workers' Compensation Commission (TWCC).

[] Owner's and Contractor's Protective Liability Insurance

The Contractor shall obtain, pay for and maintain at all times during the prosecution of the work under this contract, an Owner's and Contractor's Protective Liability insurance policy naming the City as insured for property damage and bodily injury which may arise in the prosecution of the work or Contractor's operations under this contract. Coverage shall be on an "occurrence" basis and the policy shall be issued by the same insurance company that carries the Contractor's liability insurance. Policy limits will be at least \$500,000.00 combined bodily injury and property damage per occurrence with a \$1,000,000.00 aggregate.

[] Fire Damage Legal Liability Insurance

Coverage is required if Broad form General Liability is not provided or is unavailable to the contractor or if a contractor leases or rents a portion of a City building. Limits of not less than _____ each occurrence are required.

[] Professional Liability Insurance

Professional liability insurance with limits not less than \$1,000,000.00 per claim with respect to negligent acts, errors or omissions in connection with professional services is required under this Agreement.

[] Builders' Risk Insurance

Builders' Risk Insurance, on an All-Risk form for 100% of the completed value shall be provided. Such policy shall include as "Named Insured" the City of Denton and all subcontractors as their interests may appear.

EXHIBIT 1

☐ **Commercial Crime**

Provides coverage for the theft or disappearance of cash or checks, robbery inside/outside the premises, burglary of the premises, and employee fidelity. The employee fidelity portion of this coverage should be written on a "blanket" basis to cover all employees, including new hires. This type insurance should be required if the contractor has access to City funds. Limits of not less than \$_____ each occurrence are required.

☐ **Additional Insurance**

Other insurance may be required on an individual basis for extra hazardous contracts and specific service agreements. If such additional insurance is required for a specific contract, that requirement will be described in the "Specific Conditions" of the contract specifications.

EXHIBIT 1

ATTACHMENT 1

[X] **Workers' Compensation Coverage for Building or Construction Projects for Governmental Entities**

A. Definitions:

Certificate of coverage ("certificate")-A copy of a certificate of insurance, a certificate of authority to self-insure issued by the 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.

Duration of the project - includes the time from the beginning of the work on the project until the contractor's/person's work on the project has been completed and accepted by the governmental entity.

Persons providing services on the project ("subcontractor" in §406.096) - 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, Section 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 governmental entity prior to being awarded the contract.
- 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 governmental entity showing that coverage has been extended.
- E. The contractor shall obtain from each person providing services on a project, and provide to the governmental entity:
 - 1. a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing

EXHIBIT 1

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 governmental entity 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 each 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. The contractor shall contractually require each person with whom it contracts to provide services on a project, to:
1. 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, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;
 2. provide to the contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;
 3. provide the contractor, prior to the end of the coverage period, 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;
 4. obtain from each other person with whom it contracts, and provide to the contractor:
 - a. a certificate of coverage, prior to the other person beginning work on the project; and
 - b. a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 5. retain all required certificates of coverage on file for the duration of the project and for one year thereafter;

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6. notify the governmental entity in writing by certified mail or personal delivery, within 10 days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and
 7. Contractually require each person with whom it contracts, to perform as required by paragraphs (1) - (7), with the certificates of coverage to be provided to the person for whom they are providing services.
- J. By signing this contract or providing or causing to be provided a certificate of coverage, the contractor is representing to the governmental entity 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 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.
- K. The contractor's failure to comply with any of these provisions is a breach of contract by the contractor which entitles the governmental entity to declare the contract void if the contractor does not remedy the breach within ten days after receipt of notice of breach from the governmental entity.

EXHIBIT 1

EXHIBIT E

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.		OFFICE USE ONLY
<p>This questionnaire is being filed in accordance with chapter 176 of the 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).</p> <p>By law this questionnaire must be filed with the records administrator of the local government 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.</p> <p>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.</p>		Date Received
1	Name of person who has a business relationship with local governmental entity.	
2	<div style="display: flex; align-items: flex-start;"> <input style="margin-right: 10px;" type="checkbox"/> <div> 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.) </div> </div>	
3	Name of local government officer with whom filer has an employment or business relationship. <div style="text-align: center; margin: 10px 0;"> _____ Name of Officer </div> <p>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.</p> <p>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?</p> <div style="display: flex; justify-content: space-around; margin: 5px 0;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <p>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?</p> <div style="display: flex; justify-content: space-around; margin: 5px 0;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <p>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?</p> <div style="display: flex; justify-content: space-around; margin: 5px 0;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </div> <p>D. Describe each affiliation or business relationship.</p>	
4	<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="width: 60%;"> _____ Signature of person doing business with the governmental entity </div> <div style="width: 35%; text-align: center;"> _____ Date </div> </div>	

EXHIBIT 1

EXHIBIT F SPECIAL TERMS AND CONDITIONS

Total Contract Value

The contract total for services shall not exceed \$4,837,484.10. Pricing shall be per Exhibit F attached.

Bonds

The Contractor will be required to sign original contract and submit a blanket performance and payment bond for \$250,000. Bonds shall be in accordance with the V.T.C.A Government Code Section 2253.021, as amended.

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EXHIBIT G CONTRACTORS PROPOSAL

RFP 5567 - BAFO Evaluation Sheet for UNDERGROUND ELECTRIC SERVICE INSTALLATION

Barco Construction
Denton, TX

RFP Item #	DME Item #	EST. ANNUAL QTY	UOM	Description 2	Unit Price	Extended Price
				Excavation and Backfill		
1	D1	2,000	Ft	Trench with Trencher 6" wide by 30" deep	\$1.75	\$3,500.00
2	D2	5,000	Ft	Trench with Trencher 6" wide by 48" deep	\$1.80	\$9,000.00
3	D3	5,000	Ft	Trench with Trencher 6" wide by 60" deep	\$2.25	\$11,250.00
4	D4	25,000	Ft	Trench with Backhoe 18" wide 48" deep	\$3.75	\$93,750.00
5	D5	25,000	Ft	Trench with Backhoe 18" wide 60" deep	\$4.00	\$100,000.00
6	D6	15,000	Ft	Trench with Backhoe 18" wide 72" deep	\$4.25	\$63,750.00
7	D7	1,000	Ft	Trench with Backhoe 18" wide 84" deep	\$5.50	\$5,500.00
8	D8	1,000	Ft	Trench with Backhoe 18" wide 96" deep	\$6.25	\$6,250.00
9	D9	1,000	Ft	Trench with Backhoe 24" wide 48" deep	\$4.00	\$4,000.00
10	D10	10,000	Ft	Trench with Backhoe 24" wide 60" deep	\$4.50	\$45,000.00
11	D11	10,000	Ft	Trench with Backhoe 24" wide 72" deep	\$5.00	\$50,000.00
12	D12	5,000	Ft	Trench with Backhoe 24" wide 84" deep	\$6.00	\$30,000.00
13	D13	1,000	Ft	Trench with Backhoe 24" wide 96" deep	\$8.00	\$8,000.00
14	D14	1,000	Ft	Trench with Backhoe 36" wide 48" deep	\$5.00	\$5,000.00
15	D15	1,000	Ft	Trench with Backhoe 36" wide 60" deep	\$6.00	\$6,000.00
16	D16	1,000	Ft	Trench with Backhoe 36" wide 72" deep	\$7.00	\$7,000.00
17	D17	1,000	Ft	Trench with Backhoe 36" wide 84" deep	\$8.00	\$8,000.00

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18	D18	1,000	Ft	Trench with Backhoe 36" wide 96" deep	\$10.00	\$10,000.00
19	D19	2,000	Ft	Special trencher for trenching in rock, 6" width	\$10.00	\$20,000.00
20	D20	1,000	Ft	Rock Adder, Backhoe 18" Width, Cutting & Jack Hammer	\$10.00	\$10,000.00
21	D21	1,000	Ft	Rock Adder, Backhoe 24" Width, Cutting & Jack Hammer	\$12.00	\$12,000.00
22	D22	500	Ft	Rock Adder, Backhoe 36" Width, Cutting & Jack Hammer	\$15.00	\$7,500.00
23	D23	1,000	Ft	Rock Adder, Backhoe 18" Width, Large Rock Quantity	\$8.00	\$8,000.00
24	D24	1,000	Ft	Rock Adder, Backhoe 24" Width, Large Rock Quantity	\$10.00	\$10,000.00
25	D25	1,000	Ft	Rock Adder, Backhoe 36" Width, Large Rock Quantity	\$12.00	\$12,000.00
26	D26	1,000	Ft	Hand Digging 12" x 30" deep or less	\$12.00	\$12,000.00
27	D27	500	Ft	Hand Digging 12" x 31" - 48" deep	\$15.00	\$7,500.00
28	D28	2,500	Cy	Concrete Backfill of Trench Excavated by Backhoe	\$100.00	\$250,000.00
29	D29	2,500	Ft	Mechanical Tamping of Trench Excavated by Backhoe	\$1.50	\$3,750.00
30	D30	1,000	LF	2" - 4" Thick Asphalt Saw Cut	\$6.50	\$6,500.00
31	D31	500	LF	1" - 6" Concrete Saw Cut	\$8.00	\$4,000.00
32	D32	500	LF	8"+ Thick Concrete Saw Cut	\$12.00	\$6,000.00
33	D33	1,000	LF	4"+ Asphalt and/or Concrete Saw Cut	\$9.00	\$9,000.00
				Conduit Installation in 6" Wide Trench		
34	CT1	1,000	Ft	Conduit 1" PVC	\$0.60	\$600.00
35	CT2	5,000	Ft	Conduit 2" PVC	\$0.70	\$3,500.00
36	CT3	5,000	Ft	Conduit 2 & 1/2 " PVC	\$0.75	\$3,750.00
37	CT4	100	Ft	Conduit 3" PVC	\$0.80	\$80.00
38	CT5	2,500	Ft	Conduit 4" PVC	\$1.50	\$3,750.00
39	CT6	25	Ea	Conduit 1" PVC 90 degree sweep	\$5.50	\$137.50
40	CT7	50	Ea	Conduit 2" PVC 90 degree sweep	\$6.25	\$312.50
41	CT8	50	Ea	Conduit 2 & 1/2 " PVC 90 degree sweep	\$6.50	\$325.00
42	CT9	1	Ea	Conduit 3" PVC 90 degree sweep	\$7.00	\$7.00
43	CT10	50	Ea	Conduit 4" PVC 90 degree sweep	\$10.00	\$500.00
44	CT11	10	Ea	Conduit 2" PVC 45 degree sweep	\$6.25	\$62.50
45	CT12	10	Ea	Conduit 2 & 1/2 " PVC 45 degree sweep	\$6.50	\$65.00
46	CT13	1	Ea	Conduit 3" PVC 45 degree sweep	\$7.00	\$7.00

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47	CT14	10	Ea	Conduit 4" PVC 45 degree sweep	\$10.00	\$100.00
48	CT15	10	Ea	Conduit 4" PVC 22 & 1/2 degree sweep	\$10.00	\$100.00
				Multiple Conduit Installations in 18" to 36" Trench		
49	CB1	1,000	Ft	Conduit 1" PVC	\$0.60	\$600.00
50	CB2	100	Ft	Additional 1" PVC Conduit in Trench	\$0.60	\$60.00
51	CB3	15,000	Ft	Conduit 2" PVC	\$0.70	\$10,500.00
52	CB4	2,000	Ft	Additional 2" PVC Conduit in Trench	\$0.70	\$1,400.00
53	CB5	1,000	Ft	Conduit 2 & 1/2 " PVC	\$0.75	\$750.00
54	CB6	1,000	Ft	Additional 2 & 1/2" PVC Conduit in Trench	\$0.75	\$750.00
55	CB7	100	Ft	Conduit 3" PVC	\$0.80	\$80.00
56	CB8	100	Ft	Additional 3" PVC Conduit in Trench	\$0.80	\$80.00
57	CB9	20,000	Ft	Conduit 4" PVC	\$1.50	\$30,000.00
58	CB10	20,000	Ft	Additional 4" PVC Conduit in Trench	\$1.50	\$30,000.00
59	CB11	20,000	Ft	Conduit 6" PVC	\$2.00	\$40,000.00
60	CB12	12,000	Ft	Additional 6" PVC Conduit in Trench	\$2.00	\$24,000.00
61	CB13	5,000	Ft	Bank of two 6", two 4", two 2", and two 1" installed in conduit spacers	\$10.00	\$50,000.00
62	CB14	1,000	Ft	Bank of three 6", three 4", three 2", and two 1" installed in conduit spacers	\$12.00	\$12,000.00
63	CB15	500	Ea	Conduit 1" PVC 90 degree sweep	\$5.50	\$2,750.00
64	CB16	1,000	Ea	Conduit 2" PVC 90 degree sweep	\$6.25	\$6,250.00
65	CB17	1,000	Ea	Conduit 2 & 1/2 " PVC 90 degree sweep	\$7.00	\$7,000.00
66	CB18	5	Ea	Conduit 3" PVC 90 degree sweep	\$7.50	\$37.50
67	CB19	1,000	Ea	Conduit 4" PVC 90 degree sweep	\$10.00	\$10,000.00
68	CB20	1,000	Ea	Conduit 6" PVC 90 degree sweep	\$12.00	\$12,000.00
				Multiple Conduit Installations in 18" to 36" Trench (Continued)		
69	CB21	50	Ea	Conduit 2" PVC 45 degree sweep	\$6.25	\$312.50
70	CB22	50	Ea	Conduit 2 & 1/2 " PVC 45 degree sweep	\$7.00	\$350.00
71	CB23	1	Ea	Conduit 3" PVC 45 degree sweep	\$7.50	\$7.50
72	CB24	200	Ea	Conduit 4" PVC 45 degree sweep	\$10.00	\$2,000.00
73	CB25	200	Ea	Conduit 6" PVC 45 degree sweep	\$12.00	\$2,400.00
74	CB26	100	Ea	Conduit 4" PVC 22 & 1/2 degree sweep	\$10.00	\$1,000.00

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75	CB27	100	Ea	Conduit 6" PVC 22 & 1/2 degree sweep	\$12.00	\$1,200.00
				Primary and Secondary Conductor Installation		
76	CI1	2,500	Ft	Cable, Cu UF SOL, 12/2 awg Secondary	\$0.55	\$1,375.00
77	CI2	5,000	Ft	Cable, Al #6 Duplex	\$0.65	\$3,250.00
78	CI3	70,000	Ft	Cable, Al 4/0 4/0 2/0 Secondary	\$1.25	\$87,500.00
79	CI4	10,000	Ft	Cable, 350, 350, 4/0 Secondary	\$1.50	\$15,000.00
80	CI5	100,000	Ft	Cable, # 2 Al 15 kV Single Phase Pull	\$0.90	\$90,000.00
81	CI6	500	Ft	Cable, # 1/0 Al 15 kV Single Phase Pull	\$0.90	\$450.00
82	CI7	500	Ft	Cable, #4/0 Al 15 kV Single Phase Pull	\$1.25	\$625.00
83	CI8	25,000	Ft	Cable, #2 Al 15 kV Three Phase Pull	\$2.00	\$50,000.00
84	CI9	1,000	Ft	Cable, #1/0 Al 15 kV Three Phase Pull	\$2.00	\$2,000.00
85	CI10	10,000	Ft	Cable, # 4/0 Al 15 kV Three Phase Pull	\$3.00	\$30,000.00
86	CI11	1,000	Ft	Cable, 250 MCM Cu 15 kV Three Phase Pull (Includes 4/0 bare neutral)	\$3.75	\$3,750.00
87	CI12	15,000	Ft	Cable, 500 MCM Cu 15 kV Three Phase Pull (Includes 4/0 bare neutral)	\$5.00	\$75,000.00
88	CI13	150,000	Ft	Cable, 750 MCM Cu 15 kV Three Phase Pull (Includes 4/0 bare neutral)	\$7.00	\$1,050,000.00
89	CI14	2,000	Ft	Cable, 8 Triplex Cu	\$0.55	\$1,100.00
90	CI15	700	Ea	Install Fault Indicator Single Phase	\$10.00	\$7,000.00
91	CI16	400	Set	Install Fault Indicator Three Phase	\$15.00	\$6,000.00
92	CI17	40	Ea	Multiple Duct Bank Tagging of Conductors in Multiple Duct Banks (individual conduits and cables shall be included in base bid)	\$5.00	\$200.00
				Terminations		
93	T1	1,000	Ea	Elbow, Loadbreak #2 AL 220 mil 15 kV	\$70.00	\$70,000.00
94	T2	20	Ea	Elbow, Loadbreak #1/0 AL 220 mil 15 kV	\$70.00	\$1,400.00
95	T3	500	Ea	Elbow, Loadbreak #4/0 AL 220 mil 15 kV	\$90.00	\$45,000.00
96	T4	30	Ea	Elbow, T Nonloadbreak 250 MCM or 4/0 15 kV	\$100.00	\$3,000.00

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97	T5	60	Ea	Elbow, T Nonloadbreak 500 MCM 15 kV	\$125.00	\$7,500.00
98	T6	300	Ea	Elbow, T Nonloadbreak 750 MCM 15 kV	\$150.00	\$45,000.00
99	T7	150	Ea	Termination Rack / Utility Pole single phase # 2	\$450.00	\$67,500.00
100	T8	4	Ea	Termination Rack / Utility Pole vee phase # 2	\$550.00	\$2,200.00
101	T9	50	Ea	Termination Rack / Utility Pole 3 phase # 2	\$750.00	\$37,500.00
102	T10	10	Ea	Termination Rack / Utility Pole single phase #1/0	\$450.00	\$4,500.00
103	T11	5	Ea	Termination Rack on a Utility Pole vee phase # 1/0	\$500.00	\$2,500.00
104	T12	5	Ea	Termination Rack on a Utility Pole 3 phase # 1/0	\$750.00	\$3,750.00
105	T13	1	Ea	Termination Rack / Utility Pole single phase #4/0	\$450.00	\$450.00
106	T14	1	Ea	Termination Rack on a Utility Pole vee phase # 4/0	\$500.00	\$500.00
107	T15	25	Ea	Termination Rack on a Utility Pole 3 phase # 4/0	\$750.00	\$18,750.00
108	T16	5	Ea	Termination Rack on a Utility Pole 3 phase 250MCM	\$1,300.00	\$6,500.00
109	T17	30	Ea	Termination Rack on a Utility Pole 3 phase 500 MCM	\$1,400.00	\$42,000.00
110	T18	100	Ea	Termination Rack on a Utility Pole 3 phase 750MCM	\$1,500.00	\$150,000.00
111	T19	210	Ea	600 - 200 AMP Plug Adapter	\$10.00	\$2,100.00
112	T20	50	Ea	Insulated Plugs/Deadend Plugs	\$10.00	\$500.00
113	T21	50	Ea	Splice, #2 AL 220 mil 15 kV	\$145.00	\$7,250.00
114	T22	5	Ea	Splice, #1/0 AL 220 mil 15 kV	\$145.00	\$725.00
115	T23	25	Ea	Splice, #4/0 AL 220 mil 15 kV	\$145.00	\$3,625.00
116	T24	25	Ea	Splice, 250 MCM or 4/0 15 kV	\$150.00	\$3,750.00
117	T25	30	Ea	Splice, 500 MCM 15 kV	\$165.00	\$4,950.00
118	T26	150	Ea	Splice, 750 MCM 15 kV	\$175.00	\$26,250.00
				Arresters		
119	A1	300	Ea	Arrester Elbow, 10 kV	\$13.00	\$3,900.00
120	A2	90	Ea	Arrester, Bushing 10 kV	\$13.00	\$1,170.00
121	A3	30	Ea	Arrester, Parking Stand 10 kV	\$13.00	\$390.00
				Manholes and Vaults		
122	V1	4	Ea	2 Way Manhole 12' X 12' X 9' with 5' of Cover	\$10,000.00	\$40,000.00
123	V2	4	Ea	4 Way Manhole 12' X 12' X 9' with 5' of Cover	\$10,000.00	\$40,000.00

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124	V3	5	Ea	3 Way Manhole 12' X 10' X 9' with 5' of Cover	\$10,000.00	\$50,000.00
125	V4	10	Ft	Additional foot of cover for 4 Way or 3 Way to 10'	\$1,000.00	\$10,000.00
126	V5	120	Ea	Polymer Concrete Vault 4'W X 5'D x 8'L Surface Mount	\$1,300.00	\$156,000.00
127	V6	5	Ea	Polymer Concrete Vault 4'W X 5'D x 6'L Surface Mount	\$1,200.00	\$6,000.00
128	V7	30	Ea	Polymer Concrete Vault 3'W X 5'D x 5'L Surface Mount	\$800.00	\$24,000.00
129	V8	5	Ea	Polymer Concrete Vault 4'W X 4'D x 4'L Surface Mount	\$600.00	\$3,000.00
130	V9	12	Ea	Polymer Concrete Box 13"W X 18"D x 24"L Surface Mount	\$200.00	\$2,400.00
131	V10	100	Ea	Polymer Concrete Box 12"W X 12"D x 12"L Surface Mount	\$125.00	\$12,500.00
132	V11	15	Ea	Fiberglass Sleeve, Pri. Connection Cabinet 1 Phase	\$150.00	\$2,250.00
133	V12	25	Ea	Fiberglass Sleeve, Pri. Connection Cabinet 3 Phase	\$250.00	\$6,250.00
134	V13	10	Ea	Excavation to Access side of a Manhole	\$1,000.00	\$10,000.00
135	V14	10	Ea	Excavation to Access side of a Vault	\$500.00	\$5,000.00
136	V15	6	Ea	6" Conduit Entry into Manhole	\$175.00	\$1,050.00
137	V16	6	Ea	4" Conduit Entry into Manhole	\$150.00	\$900.00
138	V17	6	Ea	2 1/2" Conduit Entry into Manhole	\$125.00	\$750.00
139	V18	6	Ea	2" Conduit Entry into Manhole	\$125.00	\$750.00
140	V19	6	Ea	6" Conduit Entry into Vault	\$150.00	\$900.00
141	V20	6	Ea	4" Conduit Entry into Vault	\$100.00	\$600.00
142	V21	6	Ea	2 1/2" Conduit Entry into Vault	\$75.00	\$450.00
143	V22	6	Ea	2" Conduit Entry into Vault	\$75.00	\$450.00
				Foundations		
144	P1	350	Ea	Transformer Pad 48" X 54" Fibercrete	\$175.00	\$61,250.00
145	P2	50	Ea	Switch Gear Pad 7' x 7' x 3'	\$700.00	\$35,000.00
146	P3	10	Ea	Transformer Pad 83" X 83" Old Castle	\$600.00	\$6,000.00
				Equipment		
147	E1	600	Ea	Secondary Connection Pedestal	\$80.00	\$48,000.00
148	E2	350	Ea	Single Phase Transformer on Pad	\$350.00	\$122,500.00
149	E3A	30	Ea	Three Phase Transformer on Pad up to 500KVA	\$1,200.00	\$36,000.00
150	E3B	20	Ea	Three Phase Transformer on Pad above 500KVA up to 1500KVA	\$3,000.00	\$60,000.00

EXHIBIT 1

151	E3C	10	Ea	Three Phase Transformer on Pad above 1500KVA	\$5,000.00	\$50,000.00
152	E4	75	Ea	Switch Gear on Pad - (PME Gear)	\$500.00	\$37,500.00
153	E5	15	Ea	Primary 1 Phase Sectionalizing Pedestal on Sleeve	\$150.00	\$2,250.00
154	E6	20	Ea	Primary 3 Phase Sectionalizing Pedestal on Sleeve	\$250.00	\$5,000.00
155	E7	5	Ea	Fused Cabinet	\$400.00	\$2,000.00
156	E8	5	Ea	Fused Cabinet Sleeve	\$500.00	\$2,500.00
				Other		
157	SL1	300	Ea	20 Ft Concrete Pole and Street Light, 976 pounds	\$350.00	\$105,000.00
158	SL2	25	Ea	35 Ft Concrete Pole and Street Light 1,750 pounds	\$400.00	\$10,000.00
159	SL3	10	Ea	45 Ft Fiberglass Pole and Street Light	\$500.00	\$5,000.00
160	SL4	20	Ea	Streetlight Poles with either bases or anchor cages on streetlights	\$600.00	\$12,000.00
				Service Installation		
161	S1	50,000	Ft	Install 2.5" conduit with underground secondary conductors and warning tape.	\$7.00	\$350,000.00
162	S2	50	Ea	Secondary Riser	\$350.00	\$17,500.00
163	S3	30	Trip	Trip charge for additional trips after initial trip	\$150.00	\$4,500.00
164	S4	3,000	Ft	Bore for service installations (Residential)	\$20.00	\$60,000.00
				Hourly		
165	M1	250	HR	Three man crew to perform small projects	\$185.00	\$46,250.00
166	M2	300	HR	Two man crew and backhoe to perform small projects	\$175.00	\$52,500.00
167	M3	500	HR	Three man crew and backhoe to perform medium projects	\$200.00	\$100,000.00
168	M4	500	HR	Four man crew and backhoe to perform large projects	\$250.00	\$125,000.00
169	M5	300	HR	Dump truck used on projects where all excavated material is hauled off	\$65.00	\$19,500.00
Total Cost of Services (Annual)						\$4,837,484.00

EXHIBIT 1

170		EA	Number of Licensed Utility/Class A Journeyman available to DME	1 to 4
171		EA	Number of Crews Available to DME at one time	2 to 10

Payment Terms	Additional Discount %
Invoice Paid in 20 days	
Invoice Paid in 15 days	
Invoice Paid in 10 days	1.00%

EXHIBIT 1

Bond No. 1000996204

EXHIBIT C
PERFORMANCE BOND

STATE OF TEXAS §

COUNTY OF DENTON §

KNOW ALL MEN BY THESE PRESENTS: That Barco Construction, Inc. whose address is 305 Plum Hollow, Denton, TX 76207 hereinafter called Principal, and U.S. Specialty Insurance Company, a corporation organized and existing under the laws of the State of Texas, and fully authorized to transact business in the State of Texas, as Surety, are held and firmly bound unto the City of Denton, a municipal corporation organized and existing under the laws of the State of Texas, hereinafter called Owner, in the penal sum of Two Hundred Fifty Thousand and no/100-----

DOLLARS (\$250,000.00--), in lawful money of the United States, to be paid in Denton County, Texas, for the payment of which sum well and truly to be made, we hereby bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents. This Bond shall automatically be increased by the amount of any Change Order or Supplemental Agreement, which increases the Contract price, but in no event shall a Change Order or Supplemental Agreement, which reduces the Contract price, decrease the penal sum of this Bond.

THE OBLIGATION TO PAY SAME is conditioned as follows: Whereas, the Principal entered into a certain Contract, identified by Ordinance Number 2014-265, with the City of Denton, the Owner, dated the 17th day of September A.D. 2014, for RFP #5567 UNDERGROUND ELECTRIC INSTALLATION SERVICES

NOW, THEREFORE, if the Principal shall well, truly and faithfully perform and fulfill all of the undertakings, covenants, terms, conditions and agreements of said Contract in accordance with the Plans, Specifications and Contract Documents during the original term thereof and any extension thereof which may be granted by the Owner, with or without notice to the Surety, and during the life of any guaranty or warranty required under this Contract, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions and agreements of any and all duly authorized modifications of said Contract that may hereafter be made, notice of which modifications to the Surety being hereby waived; and, if the Principal shall repair and/or replace all defects due to faulty materials and workmanship that appear within a period of two (2) years from the date of final completion and final acceptance of the Work by the Owner; and, if the Principal shall fully indemnify and save harmless the Owner from all costs and damages which Owner may suffer by reason of failure to so perform herein and shall fully reimburse and repay Owner all outlay and expense which the Owner may incur in making good any default or deficiency, then this obligation shall be void; otherwise, it shall remain in full force and effect.

RFP 5567

The Rider Attached Hereto Is Incorporated in this Bond and Contains
Important Coverage Information

EXHIBIT 1

PROVIDED FURTHER, that if any legal action be filed upon this Bond, exclusive venue shall lie in Denton County, State of Texas.

AND PROVIDED FURTHER, that the said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract, or to the Work to be performed thereunder, or to the Plans, Specifications, Drawings, etc., accompanying the same, shall in anywise affect its obligation on this Bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract, or to the Work to be performed thereunder, or to the Plans, Specifications, Drawings, etc.

This Bond is given pursuant to the provisions of Chapter 2253 of the Texas Government Code, as amended, and any other applicable statutes of the State of Texas.

The undersigned and designated agent is hereby designated by the Surety herein as the Resident Agent in Denton County to whom any requisite notices may be delivered and on whom service of process may be had in matters arising out of such suretyship, as provided by Article 7.19-1 of the Insurance Code, Vernon's Annotated Civil Statutes of the State of Texas.

IN WITNESS WHEREOF, this instrument is executed in four copies, each one of which shall be deemed an original, this the 17th day of September, 2014.

ATTEST:

BY:

Reini Kain
~~SECRETARY~~ witness

PRINCIPAL

Barco Construction, Inc.

BY:

[Signature]
PRESIDENT

ATTEST:

BY:

Trenae Donovan
Trenae Donovan, Witness

SURETY

U.S. Specialty Insurance Company

BY:

[Signature]
ATTORNEY-IN-FACT
Jennifer Picchi

The Resident Agent of the Surety in Denton County, Texas for delivery of notice and service of the process is:

NAME: Jennifer Picchi, PCL Contract Bonding Agency

STREET ADDRESS: 2005 Cedarwood Drive, Carrollton, TX 75007

(NOTE: Date of Performance Bond must be date of Contract. If Resident Agent is not a corporation, give a person's name.)

RFP 5567

OK
9/29/2014
SP

EXHIBIT 1

Bond No. 1000996204

EXHIBIT C
PAYMENT BOND

STATE OF TEXAS §

COUNTY OF DENTON §

KNOW ALL MEN BY THESE PRESENTS: That Barco Construction, Inc. ✓
whose address is 305 Plum Hollow
Denton, TX 76207 hereinafter called Principal, and
U.S. Specialty Insurance Company, a corporation organized and existing under the laws
of the State of Texas, and fully authorized to transact business in the State of
Texas, as Surety, are held and firmly bound unto the City of Denton, a municipal corporation
organized and existing under the laws of the State of Texas, hereinafter called Owner, and unto
all persons, firms, and corporations who may furnish materials for, or perform labor upon, the
building or improvements hereinafter referred to, in the penal sum of
Two Hundred Fifty Thousand and no/100----- ✓ DOLLARS
(~~\$250,000.00--~~) in lawful money of the United States, to be paid in Denton, County, Texas, for
the payment of which sum well and truly to be made, we hereby bind ourselves, our heirs,
executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.
This Bond shall automatically be increased by the amount of any Change Order or Supplemental
Agreement which increases the Contract price, but in no event shall a Change Order or
Supplemental Agreement which reduces the Contract price decrease the penal sum of this Bond.

THE OBLIGATION TO PAY SAME is conditioned as follows: Whereas, the Principal
entered into a certain Contract, identified by Ordinance Number 2014-205, with the City of
Denton, the Owner, dated the 17th day of September A.D. 2014, for
RFP #5567 UNDERGROUND ELECTRIC INSTALLATION SERVICES ✓

NOW, THEREFORE, if the Principal shall well, truly and faithfully perform its duties
and make prompt payment to all persons, firms, subcontractors, corporations and claimants
supplying labor and/or material in the prosecution of the Work provided for in said Contract and
any and all duly authorized modifications of said Contract that may hereafter be made, notice of
which modifications to the Surety being hereby expressly waived, then this obligation shall be
void; otherwise it shall remain in full force and effect.

PROVIDED FURTHER, that if any legal action be filed on this Bond, exclusive venue
shall lie in Denton County, Texas.

AND PROVIDED FURTHER, that the said Surety, for value received, hereby stipulates
and agrees that no change, extension of time, alteration or addition to the terms of the Contract,
or to the Work to be performed thereunder, or to the Plans, Specifications, Drawings, etc.,
accompanying the same, shall in anywise affect its obligation on this Bond, and it does hereby
waive notice of any such change, extension of time, alteration or addition to the terms of the
Contract, or to the Work to be performed thereunder, or to the Plans, Specifications, Drawings,
etc.

RFP 5567

The Rider Attached Hereto Is Incorporated in this Bond and Contains
Important Coverage Information

EXHIBIT 1

This Bond is given pursuant to the provisions of Chapter 2253 of the Texas Government Code, as amended, and any other applicable statutes of the State of Texas.

The undersigned and designated agent is hereby designated by the Surety herein as the Resident Agent in Denton County to whom any requisite notices may be delivered and on whom service of process may be had in matters arising out of such surety, as provided by Article 7.19-1 of the Insurance Code, Vernon's Annotated Civil Statutes of the State of Texas.

IN WITNESS WHEREOF, this instrument is executed in four copies, each one of which shall be deemed an original, this the 17th day of September, 2014. ✓

ATTEST:

BY: *Alvin Keim*
~~SECRETARY~~ *witness*

PRINCIPAL

Barco Construction, Inc.

BY: *Don Rupp*
PRESIDENT

ATTEST:

BY: *Trenae Donovan*
Trenae Donovan, Witness

SURETY

U.S. Specialty Insurance Company

BY: *Jennifer Picchi*
ATTORNEY-IN-FACT
Jennifer

The Resident Agent of the Surety in Denton County, Texas for delivery of notice and service of the process is:

NAME: Jennifer Picchi, PCL Contract Bonding Agency

STREET ADDRESS: 2005 Cedarwood Drive, Carrollton, TX 75007

(NOTE: Date of Payment Bond must be date of Contract. If Resident Agent is not a corporation, give a person's name.)

RFP 5567

OK
9/29/2014
SP

EXHIBIT 1



HCC

U.S. Specialty Insurance Company
601 S. Figueroa Street, Suite 1600, Los Angeles, California 90017
main 310 649 0990 facsimile 310 649 0416

THIS BOND RIDER CONTAINS IMPORTANT COVERAGE INFORMATION

To obtain information, make a complaint or assert a claim, or if you have a dispute concerning your premium, you should call the Surety's toll free telephone number for information at: 1-800-486-6695. You may also write to the Surety at:

U.S. Specialty Insurance Company
601 S. Figueroa St., Suite 1600
Los Angeles, CA 90017

Important Time Limitation Regarding Warranty

Notwithstanding anything to the contrary in the Construction Contract and Bond, in no event shall Surety have any obligation for any loss occurring or claim made by Obligee more than twenty-five (25) months after the date on which Principal has substantially completed the work under the Construction Contract.

Exclusion of Liability for Mold, Mycotoxins, Fungi & Environmental Hazards

Notwithstanding anything to the contrary in the Construction Contract and Bond, the Bond to which this Rider is attached does not provide coverage for, and the Surety thereon shall not be liable for, molds, living or dead fungi, bacteria, allergens, histamines, spores, hyphae, or mycotoxins, or their related products or parts, nor for any environmental hazards, bio-hazards, hazardous materials, environmental spills, contamination, or cleanup, nor the remediation thereof, nor the consequences to persons, property, or the performance of the bonded obligations, of the occurrence, existence, or appearance thereof.

Important Notice Regarding Calculation of Premium

Adjustments to the contract price entitle the Surety to adjust premium charged for the adjustment in risk to Surety. Notwithstanding anything to the contrary in the Construction Contract and Bond, adjustments to the contract price or the premium charged shall not change the Bond amount, unless the contract price is increased no more than 10% of the original contract price.

Surety Not Bound to Renew

Surety shall not be liable for extensions or renewals of the bonded obligation beyond the initial term of 1 (one) years unless Surety so states in a rider signed by an officer of Surety. Surety shall not be liable to Principal or Obligee, nor shall funds earned or to be earned on the bonded obligation be offset, for Principal's failure to procure renewal or substitute bonds. The penal sum of the bond is the sum stated in the bond. The penal sum shall not increase or cumulate by reason of renewal or extension of the initial term of the bonded obligation.

EXHIBIT 1

POWER OF ATTORNEY

AMERICAN CONTRACTORS INDEMNITY COMPANY TEXAS BONDING COMPANY
UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

KNOW ALL MEN BY THESE PRESENTS: That American Contractors Indemnity Company, a California corporation, Texas Bonding Company, an assumed name of American Contractors Indemnity Company, United States Surety Company, a Maryland corporation and U.S. Specialty Insurance Company, a Texas corporation (collectively, the "Companies"), do by these presents make, constitute and appoint:

Clem F. Lesch, Eric Lesch, Melissa Lesch, Roger Bales, Steven Lewis, Jennifer Picchi, Trenae Donovan
or **Lisa Borhaug of Dallas, Texas**

its true and lawful Attorney(s)-in-fact, each in their separate capacity if more than one is named above, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver **any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include riders, amendments, and consents of surety, providing the bond penalty does not exceed** *****Ten Million***** Dollars (\$**10,000,000.00**)

This Power of Attorney shall expire without further action on December 8, 2016. This Power of Attorney is granted under and by authority of the following resolutions adopted by the Boards of Directors of the Companies:

Be it Resolved, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

Attorney-in-Fact may be given full power and authority for and in the name of and on behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings, including any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts, and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

Be it Resolved, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, The Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 10th day of December, 2012.

AMERICAN CONTRACTORS INDEMNITY COMPANY TEXAS BONDING COMPANY
UNITED STATES SURETY COMPANY U.S. SPECIALTY INSURANCE COMPANY

Corporate Seals



By:

Daniel P. Aguilar, Vice President

State of California

County of Los Angeles SS:

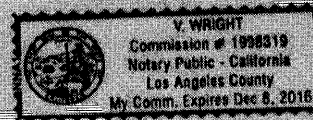
On 10th day of December, 2012, before me, Vanessa Wright, a notary public, personally appeared Daniel P. Aguilar, Vice President of American Contractors Indemnity Company, Texas Bonding Company, United States Surety Company and U.S. Specialty Insurance Company who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. WITNESS my hand and official seal.

Signature

V. Wright

(Seal)



I, Jeannie Lee, Assistant Secretary of American Contractors Indemnity Company, Texas Bonding Company, United States Surety Company and U.S. Specialty Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Companies, which is still in full force and effect; furthermore, the resolutions of the Boards of Directors, set out in the Power of Attorney are in full force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seals of said Companies at Los Angeles, California this 10th day of September, 2014.

Corporate Seals

Bond No.

1000996204

Agency No.

17081



Jeannie Lee, Assistant Secretary

OK
ababna
SP

EXHIBIT 1

Kan't Kopy® K1 Security Paper

- Hidden Pantograph
- Color Match
- Artificial Watermark
- Anti-Copy Coin Rub
- Erasure Protection
- Security Features Box
- Microprint Protection
- Acid Free

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