

**TAKE NOTICE THAT A SPECIAL MEETING
OF THE BOARD OF COMMISSIONERS
OF THE CITY OF PHARR, TEXAS
WILL BE HELD AT CITY HALL, COMMISSIONERS' ROOM,
118 S. CAGE BLVD., 2ND FLOOR, PHARR, TEXAS
COMMENCING AT 4:00 PM ON
MONDAY, MARCH 25, 2019**

The City of Pharr has called this meeting as allowed pursuant to Texas law, city charter, and Ordinance O-2018-45. The governing body may recess from day to day when it does not complete consideration of a particularly long subject as authorized by law. All persons desiring to address the governing body must register with the presiding city clerk prior to the scheduled meeting.

1. CALL TO ORDER:

A) Roll call and possible action on the excusing of any absent member of the governing body.

REGULAR AGENDA - OPEN SESSION:

2. ORDINANCES AND RESOLUTIONS:

A) Consideration and action if any, on Ordinance for a moratorium on the issuance of any permits for individually rented storage units within the City of Pharr. **(1st Reading)** (DEVELOPMENT SERVICES)

B) Consideration and action, if any, on Ordinance appointing Alternate Judge for Precinct Nos. 61, 116, and 240 (Pharr Housing Authority) for the General Municipal Election to be held on Saturday, May 4, 2019. **(Adoption on One Reading)** (ADMINISTRATION)

C) Consideration and action, if any, on Resolution appointing one (1) member to the Parks & Recreation Committee. (ADMINISTRATION)

3. ADMINISTRATIVE:

A) Consideration and action, if any, on ratification of actions taken to terminate the Supply Contract with IOC Company, LLC for the Purchase and Delivery Stone Aggregate. (Project #1718-40-510-SP006-073) (PUBLIC WORKS)

AGENDA SPECIAL MEETING

March 25, 2019

B) Consideration and action, if any, accepting the City of Pharr Audited Financial Statements for FY Ending 2017-2018. (FINANCE)

4. CONTRACTS/AGREEMENTS:

A) Consideration and action, if any, on award of contract for the Concrete Paving Improvements W. Zaragoza and S. Sugar Road Project. (Project No. 1819-86-510-C010-202) (ENGINEERING)

B) Consideration and action, if any, authorizing City Manager to negotiate and enter contract with the 2nd low bidder Border Pacific Railroad Company of Rio Grande City for the Supply Contract for the Purchase & Delivery of Stone Aggregate. (Project #1819-40-510-SP002-073) (PUBLIC WORKS)

5. CLOSED SESSION: *In accordance with Chapter 551 of the Texas Gov't. Code, the Pharr Board of Commissioners hereby gives notice that it may meet in a closed (non-public) executive session to discuss the items listed on the public portion of the meeting agenda.*

Pursuant to Section 551.071, the City may convene in a closed, non-public meeting with its attorney and discuss any matters related to **legal advice on pending or contemplated litigation, settlement offer, and/or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.** The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Pursuant to Section 551.072, the City may convene in a closed, non-public meeting to discuss any matters related to **real property and deliberate the purchase, exchange, lease, or value of real property as such would be detrimental to negotiations between the City and a third party in an open meeting.** The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Pursuant to Section 551.074, the City may convene in a closed, non-public meeting to discuss any matters related to **appointment, employment, evaluation, reassignment, duties and discipline or dismissal of a public officer or employee and to hear any complaints or charges against an officer or employee.** The City and its attorney may also discuss such issues with the appropriate staff including members so as to obtain necessary and relevant information so that such discussion is informative and developed.

Pursuant to Section 551.076, the City may convene in a closed, non-public meeting to discuss any matters on the **deployment, or specific occasions for implementation, of security personnel or devices.** The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

AGENDA SPECIAL MEETING

March 25, 2019

Pursuant to Section 551.084, the City may convene in a closed, non-public meeting to discuss any matters involving an **investigation and may exclude a witness from hearing during the examination of another witness in the investigation**. The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Pursuant to Section 551.087, the City may convene in a closed, non-public meeting to discuss any matters regarding **economic development issues**. The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

6. RECONVENE: *into Regular Session, and consider action, if necessary on any item(s) discussed in closed session.*

7. ADJOURNMENT:

NOTICE OF ASSISTANCE AT THE PUBLIC MEETING

City Hall is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Clerk's Office at 956/402-4100 ext. 1003/1007 or FAX 956/702-5313 or E-mail hilda.pedraza@pharr-tx.gov or imelda.barrera@pharr-tx.gov for further information. Braille is not available.

I, the undersigned authority, do hereby certify that the above notice of said Special Meeting of the City Commission of the City of Pharr was posted on the bulletin board at City Hall and on the City's web page at www.pharr-tx.gov. This Notice was posted on the 22nd day of March 2019 at 3:30 p.m. and will remain posted continuously for at least 72 hours preceding the scheduled time of said Meeting, in compliance with Chapter 551 of the Government Code, Vernon's Texas Codes, Annotated (Open Meetings Act).



WITNESS MY HAND AND SEAL, this 22nd day of March 2019.


HILDA PEDRAZA, TRMC, CMC
CITY CLERK

I certify that the attached notice and agenda of items to be considered by the City Commission was removed from the bulletin board of City Hall on the _____ day of _____, 20____ by,

Title: _____



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 2.A.

DATE SUBMITTED: March 19, 2019

MEETING DATE: March 25, 2019

FROM: Rita Galvan, Secretary

DEPARTMENT: Development Services

DIRECTOR:

Agenda Item: Consideration and action if any, on Ordinance for a moratorium on the issuance of any permits for individually rented storage units within the City of Pharr.
(1st Reading)

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: The City of Pharr, Texas, hereby seeks to adopt and implement moratorium ordinance for the issuance of any new permits for individually rented storage units within the City of Pharr in accordance with Chapter 212 of the Texas Local Government Code and as may be allowed under applicable law. The purpose of the moratorium to temporary suspend certain applications for building permits and/or approvals is to conduct research, study and update ordinances, zoning regulations, and building permit application procedures, if applicable.

Financial Consideration:

Staff Recommendation: Staff recommends approval.

Alternatives:

ROUTING:

Rita Galvan
Roland Gomez
Patricia Rigney
City Management Office

Created/Initiated - 3/19/2019
Approved - 3/22/2019
Approved - 3/22/2019
Final Approval - 3/22/2019

ORDINANCE NO. 0-2019-_____

AN ORDINANCE OF THE CITY OF PHARR, TEXAS PROVIDING FOR THE AUTHORIZATION AND PROCEDURE FOR ADOPTION AND IMPLEMENTATION OF A MORATORIUM ON THE ISSUANCE OF ANY PERMITS FOR INDIVIDUALLY RENTED STORAGE UNITS WITHIN THE CITY OF PHARR IN ACCORDANCE WITH THE TEXAS LOCAL GOVERNMENT CODE, SUBCHAPTER E, SECTION 212; NOTICE AND HEARING; TEMPORARY MORATORIUM; PUBLIC HEARINGS; FINAL DETERMINATION; FINDINGS; AND REPEALING ALL ORDINANCES IN CONFLICT; SEVERABILITY; AND PROVIDING FOR EFFECTIVE DATE

WHEREAS, the City of Pharr, Texas is a Home-Rule City acting under its Charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, the City of Pharr desires to comply with all state and local laws in establishing a moratorium on the issuance of any permits for individually rented storage units within the City of Pharr from being detrimental to the public health, safety, or welfare of the residents of the City of Pharr.

WHEREAS, the Board of Commissioners, as a duly-elected legislative body, finds that it is facing significant historic and contemporary land use challenges that existing regulations were not designed to address; and

WHEREAS, Texas Local Government Code Section 51.001, provides the City general authority to adopt an Ordinance or police regulations that is for the good government, peace or order of the City and is necessary or proper or carrying out a power granted by law to the City; and

WHEREAS, Texas Local Government Code Section 211, 213, 214 and 217 grants the City certain regulation authority concerning zoning, construction, land use, nuisances, structures and development-related activities; and

WHEREAS, the City seeks to ensure that impending and future development is conducted in a fiscally-sustainable and environmentally responsible manner that honors the City's rich heritage and unique ecological makeup; and

WHEREAS, the City will change drastically if unlimited growth and development should occur under the City's existing Code of Ordinances, which no longer adequately address concerns about the effect of development on the City; and

WHEREAS, the City has determined that it is necessary to study and update its development ordinances, zoning regulations and building permit application procedures in order to clarify and improve its planning policies based on the forthcoming regulations, strengthen the connection between the City's Code of Ordinances and the goals and

needs of the City's residents, and to protect the health, safety, environment, quality of life, and general welfare of its residents; and

WHEREAS, in order for the City to have adequate and reasonable time to review, evaluate and revise the City's ordinances, code and regulations, and to consider the impact of future growth, public health and safety, development, the natural environment, and place of architectural and ecological importance and significance within the city limits, the City wishes to maintain the status quo by implementing a temporary moratorium, during which certain applications for development permits and/or approvals will be suspended; and

WHEREAS, the purpose of prohibiting certain applications for development permits and/or approvals during this study period includes preserving the status quo during the planning process, eliminating incentives for hasty applications, facilitating thoughtful and consistent planning, avoiding exploitation of the delays inherent in the municipal legislative process, and preventing applications from undermining the effectiveness of the revised rules by applying for permits and/or approvals in order to avoid the application of new, possibly more restrictive, development regulations, zoning ordinances; and

WHEREAS, in recognition of the importance of development permits and/or approvals to the community, the City desires to implement this moratorium for a stated and fixed time period, and to include a waiver provision in accordance with Texas Local Government Code Chapter 212, Subchapter E.

***NOW, THEREFORE BE IT ORDAINED BY THE BOARD OF COMMISSIONERS
OF THE CITY OF PHARR, THAT:***

SECTION 1: NOTICE AND HEARING.

On March 13, 2019, the City of Pharr published notice of hearing in the *Advance News Journal* pursuant to Sections 212.133 and 212.134 of the Texas Local Government Code.

SECTION 2: TEMPORARY MORATORIUM.

Pursuant to Texas Local Government Code Section 212.134(c), a temporary moratorium shall take effect on the fifth business day after the date a notice is published. On March 13, 2019, the City of Pharr published notice of hearing in the *Advance News Journal*; thus, a temporary moratorium shall take effect on or about the 20th day of March 2019.

SECTION 3: APPLICABILITY

The City of Pharr hereby enacts this Ordinance in order to implement a temporary moratorium on the acceptance and processing certain applications and issuance of permits and other forms of municipal authorization related to specific construction and land development activities for individually rented storage units. The temporary moratorium applies to all city zoning district uses within the City Limits and the

Unless a project falls within and Exception (as provided below), this temporary moratorium applies to all applications for property development permits.

SECTION 4: PURPOSE

This temporary moratorium is being enacted to maintain *status quo*, and to:

1. Assess the short-term and long-term a comprehensive plan;
2. Evaluate regulations for platting and site development
3. Review the City's policies on the acceptance of applications for municipal permits for construction or development;
4. Update the City's Zoning Ordinance for consistency
5. Obtain and review public input and expert guidance.

SECTION 5: PUBLIC HEARINGS; FINAL DETERMINATION.

- A. Pursuant to Texas Local Government Code Section 212.134(d), the City of Pharr will conduct two (2) public hearings in accordance with the above referenced provision as followed:

1st Public Hearing: March 18, 2019 – Board of Commissioners

2nd Public Hearing: March 25, 2019 – Board of Commissioners

- B. On March 25, 2019 within twelve (12) days after the date of the first public hearing, the City of Pharr made a final a determination on the imposition of a moratorium.

SECTION 6: JUSTIFICATION AND OBJECTIVES FOR MORATORIUM; EXPIRATION.

A. Justification/Findings of Fact

1. The temporary moratorium on property development is justified because existing regulations are inadequate to prevent possible new development specifically relating to individually rented storage units, from being detrimental to the public health, safety or welfare of the residents of Pharr pursuant to Texas Local Government Code Section 212.1352.
2. The City finds that it is necessary and proper for the good government peace or order of the City and to address ordinances and regulations that are inadequate, to impose the temporary moratorium on the acceptance and processing of certain applications and issuance of permits and other forms of municipal authorization related to specific construction and land development activities for individually rented storage units .
3. The City will drastically change if unlimited growth and development should occur under the City's existing Code of Ordinances, which no longer adequately address concerns about the effect of development on the City. In order to meet the present and future growth, the City needs to provide

sufficient space in appropriate locations for development to promote the most appropriate use of land to protect the character and conserve the value of land and buildings.

B. Objectives

1. The objectives to be achieved during the effective time of the moratorium shall be to analyze whether new ordinances and regulations are necessary to prevent business licenses for individually rented storage units as indicated herein that may be detrimental to the public health, safety, or welfare of the residents of the City of Pharr.
2. The City will determine if it is necessary to study and update its development ordinances and procedures in order to clarify and improve its planning policies based on the forthcoming regulations, strengthen the connection between the City's Code of Ordinances, Comprehensive Plan and the goals and needs of the development community.
3. In order for the City to have adequate and reasonable time to review, evaluate and revise the City's development ordinances, and to consider the impact of the ordinances upon future growth, public health and safety, development, the natural environment, and place of architectural and ecological importance and significance within the City Limits, the City wishes to maintain the status quo by implementing a temporary moratorium, during which certain applications for development permits and/or approvals will be suspended.

C. Expiration

The moratorium established herein expires on the 90th day after enactment of this Ordinance pursuant to Texas Local Government Code Section 212.1362 and city charter, or upon repeal of this ordinance by the City, whichever is sooner.

SECTION 7: ENACTMENT

The City of Pharr hereby enacts this ordinance implementing a temporary moratorium on the City's acceptance and processing certain applications and issuance of permits and other forms of municipal authorization related to specific construction and land development activities for individually rented storage units.

SECTION 8: EXTENSION

If the City determines that the initial period is insufficient for the City to fully complete its study and planning, this ordinance may be renewed or extended for an additional period of time, necessary to complete the study and implement the recommended changes to City codes, policies, and processes in accordance with the time limits as provided by law upon a majority vote of the Board of Commissioners.

SECTION 9: EXCEPTION, EXEMPTIONS AND WAIVERS

A. Exceptions.

1. **Ongoing projects.** The temporary moratorium implemented by this ordinance does not apply to any projects that are currently, actively in progress for which valid City building permits have been issued and have not expired (as of this temporary moratorium).
2. **Grandfathered projects.** The temporary moratorium implemented by this Ordinance shall not apply to projects that are grandfathered under as provided by state law. Property owners asserting grandfathered rights under Texas Local Government Code Chapter 245 must submit an application claiming an exception to this temporary moratorium to the Development Services department for review in accordance with City policy.

B. Exemptions or Waivers. Any property owner who does not assert rights under Texas Local Government Code Chapter 245, but who seeks authorization to proceed with the development permitting process during the time of the temporary moratorium can request the following alternative forms of approval:

1. **Waiver:** Permit applicants may apply for a waiver from the moratorium relating to the property as provided in Local Government Code Section 212.137. Any waivers must be reduced to writing and must state the reason for the request to the municipality. The governing body must vote on whether to grant the waiver request within ten (10) days after the date of receiving the written request.

SECTION 10: DETERMINATIONS & APPEALS

- A. **Determinations.** The Development Services Director or their designee shall make all initial determinations regarding the status of all projects seeking to apply for permits during this temporary moratorium and recognition of all exceptions or waivers (as provided herein).
- B. **Appeals.** Property owners seeking to challenge a determination made by the Development Services Director may appeal that initial determination to the City Manager or designee in writing within 10 days after initial determination has been made.

SECTION 11: SEVERABILITY CLAUSE.

Any and all ordinances in conflict with this ordinance are repealed. The invalidity of any section, clause, sentence or provision of this ordinance shall not affect the validity of any other part thereof. The effects of this Ordinance shall at all times be in compliance with state, federal, and other guidelines as directed.

SECTION 12: EFFECTIVE DATE; PUBLICATION.

This Ordinance shall take effect immediately upon passage by a vote of not less than a majority of all the members of the Board of Commissioners and executed by the Mayor and City Clerk following not less than two (2) readings of the ordinance in accordance with Texas Local Government Code Section 212.134(f), and also in caption form as allowed under Section 9 of the Pharr City Charter.

This Ordinance may be published, after passage, in one issue of the official paper.

SECTION 13: PROPER NOTICE AND MEETING.

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

PASSED AND APPROVED ON THE FIRST READING BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the ____ day of ____, 2019.

CITY OF PHARR

AMBROSIO "AMOS" HERNANDEZ
MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK

**PASSED AND APPROVED ON THE SECOND AND FINAL READING BY THE
BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the
____ day of _____, 2019.**

CITY OF PHARR

AMBROSIO "AMOS" HERNANDEZ
MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 2.B.

DATE SUBMITTED: March 21, 2019

MEETING DATE: March 25, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR: Alex Meade

Agenda Item: Consideration and action, if any, on Ordinance appointing Alternate Judge for Precinct Nos. 61, 116, and 240 (Pharr Housing Authority) for the General Municipal Election to be held on Saturday, May 4, 2019. ***(Adoption on One Reading)***

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: Gilda Rodriguez is unable to serve as Alternate Judge at this time. Therefore, I respectfully request a replacement for Precincts 61, 116 and 240 (Pharr Housing Authority).

Financial Consideration:

Staff Recommendation: Staff recommends approval.

Alternatives:

ROUTING:

Hilda Pedraza
Patricia Rigney
City Management Office

Created/Initiated - 3/21/2019
Approved - 3/21/2019
Final Approval - 3/22/2019

ORDINANCE NO. O-2019-

**AN ORDINANCE APPOINTING ALTERNATE JUDGE
FOR THE GENERAL MUNICIPAL ELECTION
TO BE HELD ON SATURDAY, MAY 4, 2019**

WHEREAS, the Board of City Commissioners of the City of Pharr, Texas (the "City") has ordered a general municipal election be held on Saturday, May 4, 2019 within and throughout the corporate limits of the City at which all residents, qualified electors of the District shall be entitled to vote for Mayor, Commissioner Place 1, Commissioner Place 5, and Commissioner Place 6; and

WHEREAS, on March 18, 2019, the Board of Commissioners appointed Judges and Alternate Judges for the upcoming Municipal General Election to be held on Saturday, May 4, 2019 by Ordinance No. O-2019-05; and

WHEREAS, Gilda Rodriguez was appointed as Alternate Judge for election precincts 61, 116 and 240 (Pharr Housing Authority) but is unable to serve; and

WHEREAS, appointment of Alternate Judge needs to be made at this time.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR, THAT:

SECTION 1: Presiding Election Judge: The presiding and alternate judges for each voting precinct established for the Election in the order calling the election, shall be appointed for one single election and runoff election if necessary, and shall be the following:

Election Precinct 61, 116 and 240	-	Pharr Housing Authority 104 W. Polk Ave.
Alternate Judge	-	

SECTION 2: Appointment of Election Clerks: The Presiding Judge of each Voting precinct shall appoint not more than three (3) qualified election clerks to serve and assist in conducting the Election; provided that if the Presiding Judge actually serves as expected, the Alternate Judge shall be one of such clerks.

SECTION 3: Compensation for Services at Polling Place: The presiding judge, alternate judge, and each election clerk appointed by the presiding judge shall be Compensated for services rendered, as follows:

Presiding Judge	\$12.00 per hour
Alternate Judge	\$11.00 per hour
Election Clerk	\$10.00 per hour

A judge or clerk may not be paid for more than one hour of work before the polls open. In a precinct in which voting machines are used, a judge or clerk may not be paid for more than two hours of work after the time for closing the polls or after the last voter has voted, whichever is later.

SECTION 4: Compensation for Delivering Election Records and Supplies:

The election judge or clerk who delivers the precinct election records, keys to ballot boxes or other election equipment, and unused election supplies after an election is entitled to compensation for that service in an amount not to exceed \$25.00. If more than one election officer delivers the records, keys, and unused supplies, the presiding judge is entitled to compensation for that service in an amount not to exceed \$25.00. If more than one election officer delivers the records, keys, and unused supplies, the presiding judge shall determine how the amount fixed for the services is to be allocated among the officers.

SECTION 5: Declaring an Emergency Clause: The importance of the subject matter hereof creates an emergency and an imperative public necessity requiring the suspension of the rule that Ordinance be read on three separate days, and such rule is hereby suspended and said requirement is dispensed with by a vote of not less than a majority of all the members of the Board of Commissioners. This Ordinance shall take effect and be in full force from and after its passage and approval.

**PASSED AND APPROVED BY THE BOARD OF CITY COMMISSIONERS OF
THE CITY OF PHARR, TEXAS** on this the 25th day of March 2019.

CITY OF PHARR

AMBROSIO HERNANDEZ, MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 2.C.

DATE SUBMITTED: March 22, 2019

MEETING DATE: March 25, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR: Alex Meade

Agenda Item: Consideration and action, if any, on Resolution appointing one (1) member to the Parks & Recreation Committee.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: Due to the replacement of board member Mario Lizcano, the City Commission needs to appoint a new board member at this time.

Financial Consideration:

Staff Recommendation: Staff recommends appointment of new member.

Alternatives:

ROUTING:

Hilda Pedraza
Patricia Rigney
City Management Office

Created/Initiated - 3/22/2019
Approved - 3/22/2019
Final Approval - 3/22/2019

THE STATE OF TEXAS

§

RESOLUTION

COUNTY OF HIDALGO

§

NO. R-2019-

CITY OF PHARR

§

WHEREAS, in accordance with city ordinance, Chapter 90, Article II, Section 90-32, has created and appointed a Parks and Recreation Committee composed of nine members who shall be residents of the City of Pharr and serve a term of two years. Any member of the Committee may be reappointed by the City Commission upon completion of a full term.

WHEREAS, due to the replacement of Board member Mario Lizcano, the City Commission needs to appoint one (1) member to the Parks and Recreation Board; and

WHEREAS, such member shall assume the duties, responsibilities, and powers provided by city ordinance.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR, TEXAS, THAT:

The following person is hereby appointed as member of the Parks and Recreation Committee of the City of Pharr.

NAME:

LENGTH OF TERM:

1.

2-year term (unexpired ending 09/18/20)

PASSED AND APPROVED BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the 22nd day of March, 2019.

CITY OF PHARR

AMBROSIO HERNANDEZ, MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 3.A.

DATE SUBMITTED: March 21, 2019

MEETING DATE: March 25, 2019

FROM: Omar Anzaldua, City Engineer

DEPARTMENT: Public Works

DIRECTOR:

Agenda Item: Consideration and action, if any, on ratification of actions taken to terminate the Supply Contract with IOC Company, LLC for the Purchase and Delivery Stone Aggregate. (Project #1718-40-510-SP006-073)

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: The material that was being delivered to the City did not meet the required specifications and thus the City has decided to terminate the contract with this vendor.

Financial Consideration: Supply Contract material to be purchased as needed:

Staff Recommendation: Staff requests approval of ratification terminating the Supply Contract with IOC Company, LLC for the Purchase and Delivery Stone Aggregate.

Alternatives: N/A

ROUTING:

Omar Anzaldua

Created/Initiated - 3/21/2019

Sandra Zamora

Approved - 3/22/2019

Omar Anzaldua

Approved - 3/22/2019

Patricia Rigney

Approved - 3/22/2019

Karla Moya

Approved - 3/22/2019

City Management Office

Final Approval - 3/22/2019



CITY OF PHARR

BID OPENING: JULY 19, 2018 AT 2:00 P.M.

LOCATION: City Commission Room

PROJECT #1718-40-510-SP006-073 SUPPLY CONTRACT FOR PURCHASE & DELIVERY OF STONE AGGREGATE

BIDDERS	IOC COMPANY EDINBURG, TX	★ BORDER PACIFIC RAILROAD COMPANY RIO GRANDE CITY, TX	UPPER VALLEY MATERIALS LLC PALMVIEW, TX	JOLVAZ LLC DBA RIO- TECH McALLEN, TX	VULCAN CONSTRUCTION MATERIALS INC. SAN ANTONIO, TX
BASE BID: FURNISH & DELIVER ASTM NO. 57 3/4" OPEN GRADED STONE UNIT PRICE PER TON	\$21.24	★ \$22.20	\$27.00	\$40.74	\$41.95
DELIVERY	1 DAY	5 WKG DAYS	1 DAY (24 HOURS)	2 DAYS (48 HOURS)	2 DAYS
ADDENDUM	ACKNOWLEDGED	ACKNOWLEDGED	ACKNOWLEDGED	ACKNOWLEDGED	ACKNOWLEDGED (LATE)



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 3.B.

DATE SUBMITTED: March 21, 2019

MEETING DATE: March 25, 2019

FROM: Karla Moya, Finance Director

DEPARTMENT: Finance

DIRECTOR:

Agenda Item: Consideration and action, if any, accepting the City of Pharr Audited Financial Statements for FY Ending 2017-2018.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue: Comprehensive Audited Financial Report was presented to City Commission on March 18, 2019 for review, this action is to formally approve it and submit to federal grant agencies.

Financial Consideration:

Staff Recommendation: To accept and approve.

Alternatives:

ROUTING:

Karla Moya
Karla Moya
Patricia Rigney
City Management Office

Created/Initiated - 3/21/2019
Approved - 3/21/2019
Approved - 3/21/2019
Final Approval - 3/22/2019

COMPREHENSIVE ANNUAL FINANCIAL REPORT CITY OF PHARR, TEXAS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018



City of Pharr, TX

Comprehensive Annual Financial Report

For the Fiscal Year Ended
September 30, 2018

ELECTED OFFICIALS

Ambrosio “Amos” Hernandez - Mayor

Eleazar Guajardo
Ramiro Caballero
Ricardo Medina

Bobby Carrillo
Daniel Chavez
Mario Bracamontes

CITY MANAGER

Alex Meade

FINANCE DIRECTOR

Karla Saavedra, CGFO

INDEPENDENT AUDITORS

Oscar R. Gonzalez, C.P.A. & Associates, P.L.L.C.
Certified Public Accountants

Prepared by:



Dr. Ambrosio Hernandez
Mayor



Eleazar Guarardo
Commissioner Place 1



Roberto "Bobby" Carrillo
Commissioner Place 2



Ramiro Caballero
Commissioner Place 3



Daniel Chavez
Commissioner Place 4



Ricardo Medina
Commissioner Place 5



Mario A. Bracamontes
Commissioner Place 6



Alex Meade
City Manager



CITY OF PHARR, TX
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2018

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INTRODUCTORY SECTION



Pharr



MAYOR Ambrosio Hernández, MD | CITY MANAGER Alex Meade

COMMISSIONERS Eleazar Guajardo | Roberto "Bobby" Carrillo | Ramiro Caballero, MD | Daniel Chavez | Ricardo Medina | Mario Bracamontes

March 18, 2019

To the Honorable Mayor, Members of the City Commission, and Citizens
of the City of Pharr, Texas:

The Finance Department and the City Manager's Office are pleased to submit the Comprehensive Annual Financial Report for the City of Pharr, Texas for the fiscal year ended September 30, 2018. State law requires that the City publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Oscar R. Gonzalez, CPA and Associates, P.L.L.C. have issued an unmodified ("clean") opinion on the City of Pharr's financial statements for the year ended September 30, 2018. The independent auditor's report is located at the front of the financial section of this report.

In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Generally accepted auditing standards and the standards set forth in the Government Accountability Office's Government Auditing Standards were used by the auditors in conducting the engagement. The auditors' report on the basic financial statements and required supplementary information as well as the individual fund statements and schedules are included in the financial section of this report. The auditors' report on internal controls and compliance with applicable laws and regulations can be found in the single audit section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

The City of Pharr is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to federal and state awards, the independent auditors' report on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in the single audit section of this report.

On November 10, 2008 via ordinance O-2008-49, the Pharr Economic Development Corporation (PEDC) was approved by citizen vote and ratified by the City Commission to receive ½ percent (the City receives 1 ½ percent) of sales tax. City management has included PEDC in its financial reports as a blended component unit since the City appoints all board members, can remove board members at will, and must approve PEDC's budget and plan of work. The City is also a guarantor for debt that is collateralized by PEDC funds. City management has also included the Pharr Housing Finance Corporation (PHFC) and the Pharr Tax Increment Reinvestment Zone (TIRZ) in its financial statements as component units. More information concerning the PEDC, PHFC and TIRZ are in the Notes to Financial Statements.

PROFILE OF THE GOVERNMENT

Located on lands originally known in the 1600's as the Seno Mejicano, the City of Pharr was founded in 1909. During a period of great social and economic transition in the Rio Grande Valley. In 1909, John C. Kelly, Henry N. Pharr, W.E. Cage, and R.E. Briggs formed the Pharr Townsite Company, platting and registering the new town. Kelly donated lots in the original plat for early churches, including the Methodist, Baptist, Catholic, Episcopal, and Presbyterian denominations. Pharr schools began in 1911, and the community later joined with San Juan and Alamo to create the Pharr-San Juan-and Alamo School District. The City founders were also involved with the Louisiana - Rio Grande Canal Co., organized in 1910 to furnish irrigation and domestic water to 40,000 acres in the Pharr area by means of a Rio Grande Pumping Plant. The water system led the economy to shift from ranching to crop production, and the Railroad, which came through the area in 1905 made it possible to ship the produce around the country. Amidst the explosive growth caused by the introduction of irrigation, the coming of the railroad, and the Mexican Revolution, the City incorporated in 1916, and became a hub for the confluence of Tejano, Anglo and Mejicano influences in the region.

Centrally located, Pharr played a key role as the agricultural frontier pushed into the brush and cattle country in the early 1900's to form a new fertile land dubbed the "Magic Valley". As water from the Rio Grande was being diverted for irrigation, Pharr served as headquarters for the Louisiana-Rio Grande Canal Company owned and operated by the Pharr co-founders John C. Kelly and Henry N. Pharr. The company built the historic Hidalgo Pumphouse that initially irrigated 40,000 acres of land known as Pharr-Kelly tract.

Pharr, served by two state highways and the St. Louis, Brownsville and Mexico Railway Company, became a hub and a natural shipping center for the transportation and produce industries. By the early 1950's, Pharr was home to 22 processing and shipping businesses including the Valley Fruit and Vegetable Company, the largest packing facility in the world. Pharr is situated along a 43-mile corridor, U.S Business 83, once known as the longest Main Street in America. The City's image as the Hub City was firmly established when the Texas Highway Department chose Pharr as its District 21 Headquarters in 1932. The 13,869 Sq mile district is composed of ten counties and is larger than the District of Columbia, Delaware, Connecticut and Massachusetts combined. Since the early days,

Pharr sat at the cross-roads of the two most important highways in the Valley: Highways 4 and 66, known today as Memorial Highway U.S 281 (US i69) and U.S Business 83 (US i2) respectively. They intersect Pharr's historical Main Street District and are the basis for Hidalgo County's historical trails, making Pharr the region's historical hub as well. Pharr serves as of the most important ports of entry for the US-Mexico border. It handles both commercial and passenger operated vehicles and crosses about a hundred and seventy-five thousand vehicles a month.

The municipal government provided by the Charter of the City of Pharr is known as the Board of Commissioners – City Manager Form of Government. The Board of Commissioners consists of a Mayor and six (6) Commissioners which enact local legislation, adopt budgets, determine policies, and appoint the City Manager, who is held responsible to the Board of Commissioners for the execution of the laws and the administration of the government of the City. All powers of the City are exercised in the manner prescribed by the City Charter, or, if the manner be not prescribed, then in such manner as may be prescribed by ordinance, the State Constitution, or by the statutes of the State of Texas. The Mayor and the other members of the Board of Commissioners are elected by the City at large for a term of four (4) years.

The City provides a full range of services. Some of these services include police and fire protection; sanitation service; maintenance of streets and infrastructure; and recreational activities. In addition, the City provides water and wastewater services, a system of municipal parks, and a golf course.

ECONOMIC CONDITION AND OUTLOOK

Pharr is strategically located in the middle of the Rio Grande Valley of South Texas, only minutes from the Mexico border. It is strategically located to reap the benefits of explosive growth in commerce and trade. The Pharr area offers a top-quality workforce on both sides of the border. Many visitors enjoy the diversity of Pharr's culture, business and people with its variety and retail outlets, residential neighborhoods and cultural events – Pharr's rich heritage is unwavering. The spirit of tradition and a strong sense of community are flourishing in Pharr.

Over the last 10 years, Pharr has experienced unprecedented growth and economic development, and increase of roughly 40% in sales tax collections. Its population has steadily increased to almost 80,000 people. The housing industry is still increasing, businesses continue to look at Pharr, and the Pharr-Reynosa International Bridge commercial traffic is continuing to increase.

The sales tax base is growing and is expected to continue to have a positive outcome in the upcoming year, thereby potentially creating more jobs.

The economic future looks bright for Pharr. A few of the upcoming projects include:

- Major commercial development projects
- A new Natatorium
- Increase in industrial warehouses
- Increase in residential development
- Additional Infrastructure upgrades of the Pharr International Bridge

According to the Texas Workforce Commission, Pharr's unemployment rate as of September 30, 2018 was 6.9% and is currently at 7.2%.

MAJOR INITIATIVES

The City Commission and staff have identified several initiatives to address significant issues in our community. The budget for the upcoming fiscal year reflects these goals. These programs are briefly described below:

Major tax activity: Well-managed economic growth is vital to any city. It increases the tax base and thereby allows improved services to be provided to the citizens.

Property Tax: Tax year 2018, which will be in effect during next fiscal year, is expected to remain constant or with little growth on tax appraisal values. It is not until Tax Year 2019 and forward is when City of Pharr is expecting to have its assessed property values increase due to economic development growth.

Sales Tax: Sales tax revenue is used by the City as an economic indicator. This fiscal year FY 2017-2018 the City experienced a 7.7% growth in collections compared to FY 2016-2017. For this FY 2018-2019 the City budgeted a 3% projected growth.

Hotel/Motel Tax: Hotel/Motel tax revenue may only be used to increase tourism opportunities, hopefully benefiting the hotel/motel industry within the city.

Public Safety: Ensuring that the public safety personnel have the tools that they need to ensure the safety of the City is always a priority to the Commissioner's and management.

The Police Department along with the Bridge administrators collectively with federal border security organizations continue to operate a southbound inspection station. The purpose is to slow the flow of stolen vehicles and weapons into Mexico.

Public Works: The cost of infrastructure continues to rise while the need for the projects continues to be a priority. Street repairs are one of the main priorities this coming fiscal year with projects such as the 4-Year Repaving Plan, several street expansion and a bike trail.

International Bridge Infrastructure: The bridge capital projects expenditures for the upcoming fiscal year are budgeted at \$15 million. There are two goals of these projects, 1) to allow Pharr to be the regional international trade center, and 2) to minimize the wait-times for commercial traffic, thereby allowing Pharr to continue being the most efficient commercial bridge in south Texas. Expenditures are expected to be funded through grants of approximately \$15 million dollars from TXDOT and Bond \$15 million from bond proceeds.

International Trade: The City of Pharr owns an international bridge that allows the City to have a generous revenue source as a direct result of the North American Free Trade Agreement (NAFTA). It has four Industrial Parks and 25 cold storage facilities. Most of the bridge revenue is from commercial trucks. The City's International Bridge has grown capping off the year with the number one ranking as produce trading partner of Mexico beating out last year's leader Nogales, Arizona. Pharr continues to break import-export records, crossing 60 percent of all fresh produce coming from Mexico. Pharr is the leading bridge for produce such as avocados and berries.

FINANCIAL INFORMATION

Budgetary Controls: The City of Pharr maintains a system of budgetary controls, the objective of which is to ensure compliance with the legal provisions of the annual appropriated budget approved by the City Commission. The adopted Annual Budget is the basic budget document. It governs all expenditures within a certain fiscal year, which runs from October 1 to September 30. The City Charter states that between sixty (60) and ninety (90) days prior to the end of the fiscal year, the City Manager is required to submit to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following October 1. Furthermore, the Charter requires that the budgeted expenditures for governmental funds not exceed estimated resources and requires that public hearings be held prior to the adoption of the budget. Directors are expected to review their budgets on a monthly basis. The Finance Director will periodically review the budget and inform the Director and/or management of its status. A complete summary of significant accounting policies and budgetary principles is presented in the notes to the financial statements.

Fund Accounting: In accordance with generally accepted accounting principles, the City of Pharr uses a fund accounting system. Fund accounting is designed to ensure that public monies are spent for their intended purpose. Numerous funds are necessary due to legal, financial or operating constraints. Each fund is a separate fiscal entity with a self-balancing set of accounting books. In the financial section of the comprehensive annual financial report, each fund type used by the City of Pharr is defined immediately prior to that fund's financial statements.

General Fund Balance Policy: The fiscal policy as it relates to General Fund's reserve/contingency account states: the City shall strive to maintain the General Fund undesignated/unreserved fund balance at 90 days of the current year's budget appropriation for operations and maintenance, which is defined as the total budget less capital outlay purchases, debt service, incentives and the annual transfers from the General Fund to the other funds.

For fiscal year 2017-2018, the General Fund committed to contingency and unreserved balance totaled \$13,201,001 and the required minimum was \$10,250,000 (rounded).

Debt Administration and Rating: State law does not provide a debt limit for the issuance of debt, however, by custom; a practical economic debt limit of 5% of the assessed valuation is used.

General obligation bonds are backed by the full faith and credit of the City of Pharr and are used to finance permanent public improvements. In September 2018, the city's ratings were upgraded by the first time in the last 10 years by S& P and Moody's with the latest ratings being:

S &P	Moody's	Fitch
AA+	Aa3	AA-

Cash Management: All City operating funds are held in interest-bearing demand accounts in the depository bank. This money is protected by insurance from the Federal Deposit Insurance Corporation and by collateral interests in the depository's investment securities that are pledged against the City's deposits.

Cash not required for operations is invested according to the City's written investment policy. The policy emphasizes safety and liquidity in investing public funds. As of September 30, 2018, all the City's funds were available within one day. Investments consisted of demand deposit accounts in our financial institution due to its interest floor of .20%, slightly greater than anything in the investment market. This year the City of Pharr sought to diversify its investments by investing \$3.9 million in TexPool, the largest local government investment pool in the state of Texas. As of September 30, 2018, the City of Pharr's TexPool account has generated a return of around \$61,000.

Risk Management: The City continues to put high emphasis on safety concerns to lower workers' compensation claims. Risk management, particularly workers' compensation, is coordinated through the Human Resources Department. Insurance is provided by Texas Municipal League for general and asset insurance management.

LONG-TERM FINANCIAL PLANNING

General Fund Unreserved Fund Balance: The unreserved, undesignated fund balance of the General Fund is reflected in the table below.

	Fiscal Year		
	<u>FY 15.16</u>	<u>FY 16.17</u>	<u>FY 17.18</u>
Unassigned Fund Balance and Cash on Hand	\$ 18,008,000	\$ 20,196,100	\$ 21,211,700
Recommended Days per Best Practices	90	90	90
Actual Days of Fund Balance	165	174	166
 Unassigned Fund Balance and Contingency	 \$ 9,800,000	 \$ 11,900,000	 \$ 13,201,000
 Actual Days of Fund Balance	 90	 102	 103

The total General Fund balance is \$23.8 million; the committed, assigned, and unassigned fund balance (comparable to prior year's unreserved fund balance) is \$21.2 million and is equal to 166 days of operating expenditures. This balance provides an adequate protection against unforeseen occurrences and significantly decreases the likelihood of the City entering the short-term debt market to pay for current operating expenditures. The City's General Fund is fiscally stable.

The Pharr International Bridge, known as the Texas Corridor to International Trade, is the only full-service commercial bridge in the region. With over \$30 billion in trade with the world, the Pharr Bridge continues to break import/export records, making the land port of entry a forced to be reckoned with as the 4th largest commercial land crossing with Mexico. In an ever-growing binational economy it's all about time and money; it's about the product getting to market through the path of least resistance; it's about just-in-time production, flow and deliveries, and the Pharr Bridge is implementing solutions to reduce wait times by investing in infrastructure projects inside the port, therefore, streamlining crossing solutions for 21st century trade. Growing at 6-8% in truck volume year after year – that's over 1 million trucks crossed yearly – the exponential growth at the Pharr Bridge is no coincidence. The growth is attributed to the geographical location, the natural trade corridors and freight roadways leading from Mexico to Pharr and beyond into North America, and the outreach and promotional efforts of Bridge leadership.

RELEVANT FINANCIAL POLICIES

The City approves fiscal policies during every budget process; they are included as a section of the budget document. The policies are stated in sections, the sections are: Operating Budgetary, Revenue, Expenditure/Expenses, Fund Balance/Retained Earnings, Capital Improvement, Debt Management, Intergovernmental Relations, Grant, Fiscal Commission Monitoring, Financial Consultants, Accounting Auditing & Financial Reporting, Internal Control, and E-Commerce. Purchasing, Investment, and Human Resource policies are individually prepared and adopted aside from the budget process.

During this fiscal year, the City updated its Accounting Policies and Procedures Policies to update certain paragraphs and the Fiscal Management Policies to comply with best practices for Accounting of Capital Projects Bond Proceeds. A copy of each one can be found at <http://pharr-tx.gov/departments/finance/fiscal-principals-policies/>

OTHER INFORMATION

AWARDS: The Texas State Comptroller issued a new Transparency program that recognizes local governments for going above and beyond in their transparency efforts through Transparency Stars.

The City of Pharr was awarded the Traditional Finances Star this past fiscal year and it was the first City in the Valley to receive it. This past FY 2017-2018, the City received for the first time the Debt Obligations Transparency award this FY 2017-2018.

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded the City a Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CAFR) for the year ended September 30, 2017. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit published an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. The City has received the Certificate of Achievement for the last seven consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

The City also received the GFOA's Distinguished Budget Presentation Award for its annual budget dated October 1, 2017.

This was the City's 9th consecutive budget award from GFOA. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document is judged on proficiency in several categories including policy documentation, financial planning, an operations guide, and a communication device. The budget for October 1, 2017 has been submitted for review and we are pending notification of an award.

ACKNOWLEDGMENTS: The preparation of this report on a timely basis could not have been accomplished without the efficient and dedication services of the entire staff of the Finance Department. Appreciation is expressed to City employees throughout the organization, especially those employees who were instrumental in the successful completion of this report.

We would like to thank the members of the City Commission for their interest and support in planning and guiding the financial operation of the City in a responsible and progressive manner.

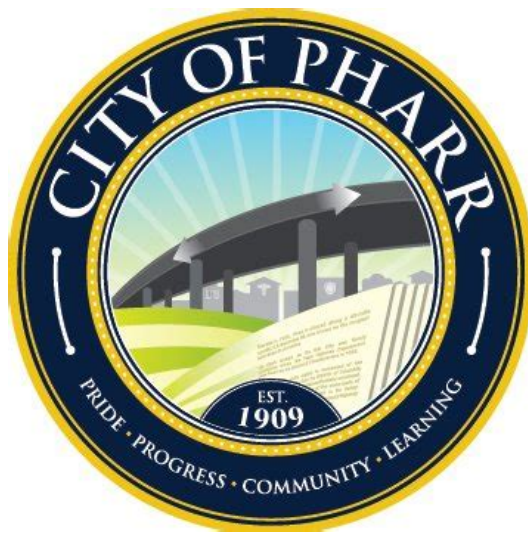
Respectfully Submitted,



Alex Meade,
City Manager



Karla Saavedra, CGFO
Finance Director





Government Finance Officers Association

**Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting**

Presented to

**City of Pharr
Texas**

For its Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morrell

Executive Director/CEO

CURRENT CITY OFFICIALS

Elected Officials

Mayor	Ambrosio “Amos” Hernandez
Commissioner	Eleazar Guajardo
Commissioner	Roberto “Bobby” Carrillo
Commissioner	Ramiro Caballero
Commissioner	Daniel Chavez
Commissioner	Ricardo Medina
Commissioner	Mario Bracamontes

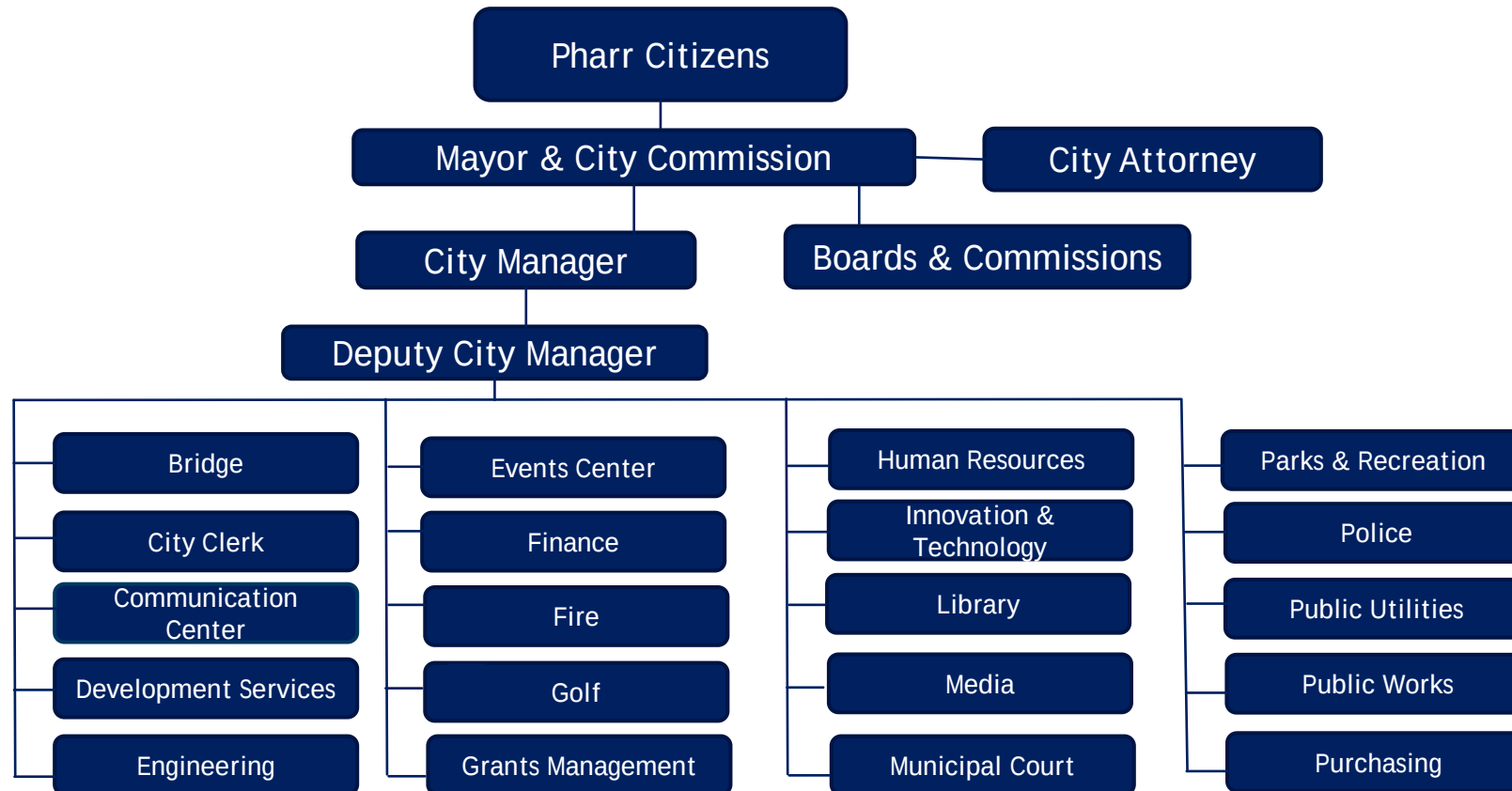
Appointed Officials

City Manager	Alex Meade
Deputy City Manager	Edward Wylie

Department Directors

City Clerk	Hilda Pedraza
Police Chief	Jose Luengo
Fire Chief	Lenny Perez
Director of Finance	Karla Saavedra
Director of Human Resources	Anali Cantu
Director of Communications	Danny Ramirez
Director of Utilities	Jose Villescascas
Director of Parks & Recreation/ Golf	Sergio Alanis
Director of Library	Adolfo Garcia
Director of Development Services	Melanie Cano
Director of Public Works	Ricardo Pedraza
Director of Grant Management	Raul Garza
Director of Media	Gary Rodriguez
Director of Bridge	Luis Bazan
Director of Economic Development Corp.	Victor Perez
Director of Innovation and Technology	Jose Pena
City Engineer	Omar Anzaldua
Municipal Court Judge	Marissa Carranza Hernandez

FY 18-19





FINANCIAL SECTION

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of City Council
City of Pharr, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the blended component units, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Pharr, Texas, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Pharr, Texas's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the blended component units, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Pharr, Texas, as of September 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note H to the financial statements, in 2018, the City adopted new accounting guidance, GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis the schedules of funding progress, schedule of changes in net pension liability and related ratios, and schedule of contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

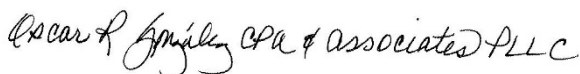
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Pharr, Texas's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, the schedule of revenues, expenditures, and changes in fund balance – budget and actual for the general fund and the schedule of revenues, expenditures, and changes in fund balance – budget and actual for Pharr Economic Development Corporation II, Inc., and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the schedule of revenues, expenditures, and changes in fund balance – budget and actual for the general fund and the schedule of revenues, expenditures, changes in fund balance – budget and actual for Pharr Economic Development Corporation II, Inc., and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the schedule of revenues, expenditures, and changes in fund balance – budget and actual for the general fund, the schedule of revenues, expenditures, and changes in fund balance – budget and actual for Pharr Economic Development Corporation II, Inc. and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 12, 2019, on our consideration of the City of Pharr, Texas's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Pharr, Texas's internal control over financial reporting and compliance.



Oscar R. Gonzalez, CPA & Associates, PLLC
Certified Public Accountants

Pharr, Texas
March 12, 2019

Management's Discussion & Analysis (MD&A)

Management's Discussion and Analysis

As management of the City of Pharr, Texas (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Pharr for the fiscal year ended September 30, 2018.

FINANCIAL HIGHLIGHTS

- ✚ The assets of the City's governmental activities exceeded its liabilities at the close of the most recent fiscal year by over \$111.56 million (net position). Of this amount, \$7.12 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. This is an increase of \$1.157 million in unrestricted net position, or 22%. The increase is mainly due to a conservative budget management this fiscal year.
- ✚ At the end of the current fiscal year, spendable and non-restricted fund balance for all governmental funds increased by \$1.107 million. This increase is mainly due to sales and property tax collections higher than expected.
- ✚ The assets of the City's business-type activities exceeded its liabilities at the close of the most recent fiscal year by over \$119.21 million (net position). Of this amount, over \$10.04 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. Overall proprietary funds experienced an increase of \$4.36 million mainly due to better fiscal management and increased collections in Bridge Revenues.
- ✚ The General Fund assets exceeded its liabilities by over \$23.86 million (fund balance). Of this amount, \$3.218 million (unassigned fund balance) may be used to meet the General Fund's ongoing obligations. This is a decrease from last years of \$1.107 million. This is mainly due to cash on hand used to loan to other City's discretely component units.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner like a private-sector business.

The Statement of Net Position presents information on all the City's assets and liabilities as well as deferred outflow and inflow of resources, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Management's Discussion and Analysis

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include services provided to the citizens for the basic health, safety, welfare, and administration of the City. Examples would include police and fire protection, animal control, streets, and parks and recreation. The business-type activities of the City which include the services provided to the citizens, the cost of which is recouped by user fees charged for the services. This includes water and wastewater services, bridge toll, event concession and rents and golf course fees to all residents and businesses.

The government-wide financial statements include not only the City itself (known as the primary government), but also legally separate component units for which the City is financially accountable: the Pharr Economic Development Corporation II (blended component unit) and the Pharr Public Facilities Corporation No. 1 (blended component unit).

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into four categories: governmental funds, proprietary funds, fiduciary funds, and discretely presented component units.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of resources that can be spent, as well as on balances of resources that can be spent available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains three major (General, PEDC II, CIP) and nine nonmajor governmental funds. Information for the major funds is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances. Data from the nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for the General, Asset Sharing, Community Development, Hotel/Motel, Parkland Dedication, Paving & Drainage, Grants, General Capital Improvement Projects, and Debt Service governmental funds. A budgetary comparison statement has been provided for those funds to demonstrate compliance with this budget.

Management's Discussion and Analysis

Proprietary Funds

The City maintains two different types of proprietary funds, enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and wastewater operations, its bridge toll and golf course operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its vehicle repair activities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the water and wastewater operations and its bridge toll and golf course operations. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary funds' financial statements. Individual fund data for the internal service funds are provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for the Utility, Event Center, Bridge, Golf, and Garage funds. A budgetary comparison statement has been provided for those funds to demonstrate compliance with this budget.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

The City's progress in funding its obligations to provide pension benefits to its employees can be found at the end of the notes to the financial statements.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the result of activities comparing the budget versus actual.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by over \$230.78 million at the close of the fiscal year.

Management's Discussion and Analysis

The City's condensed Statement of Net Position along with last fiscal year's numbers is presented for comparison in the table is located below:

City of Pharr's Net Position						
Table 1 – Dollars in Millions	Governmental		Business-Type		Total	
	Activities		Activities			
	2018	2017	2018	2017	2018	2017
Assets						
Current and other assets	\$ 80.26	\$ 74.76	\$ 25.41	\$ 29.63	\$ 105.67	\$ 104.39
Capital assets	119.29	96.00	145.47	140.09	264.76	236.09
Total assets	199.55	170.76	170.88	169.72	370.43	340.48
Deferred Outflow of Resources						
Deferred outflows	3.59	4.92	0.27	0.33	3.86	5.25
Total deferred outflow of resources	3.59	4.92	0.27	0.33	3.86	5.25
Total Assets and Deferred Outflow of Resources	203.14	175.68	171.15	170.05	374.29	345.73
Liabilities						
Current and other liabilities	15.17	12.66	7.62	8.24	22.80	20.90
Long-term Liabilities	72.47	58.46	44.31	46.96	116.78	105.42
Total liabilities	87.64	71.12	51.93	55.20	139.58	126.32
Deferred Inflow of Resources						
Deferred inflows	3.94	0.27	-	-	3.94	0.27
Total deferred inflows of resources	3.94	0.27	-	-	3.94	0.27
Total Liabilities and Deferred Inflow of Resources	91.58	71.39	51.93	55.20	143.51	126.59
Net Position						
Net Invested in capital assets,						
net of related debt	72.65	76.67	98.71	95.76	171.36	172.43
Restricted	31.78	21.65	10.46	13.16	42.24	34.81
Unrestricted	7.13	5.97	10.05	5.94	17.18	11.91
Total net position	\$ 111.57	\$ 104.29	\$ 119.22	\$ 114.86	\$ 230.78	\$ 219.15

Management's Discussion and Analysis

The excess of liabilities/deferred inflows of resources over assets/deferred outflows of resources reported on the government-wide Statement of Net Position of \$111.57 at S e p t e m b e r 3 0 , 2018 results from several factors. The most significant items include certain long-term liabilities that do not require current funding such as net pension liabilities of \$6.7 million as of September 30, 2018, and other unfunded long-term liabilities which include compensated absences.

By far the largest portion of the City's net position (\$171.36) reflects its Net Invested in Capital Assets (e.g., land buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City's net position, (\$42.24) million represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$17.73 million) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City can report positive balances in all three categories of net assets for the government. The same situation held true for the prior fiscal year.

Governmental Activities

Governmental activities increased the City's net position by \$7.38 million. The key changes this fiscal year along with element of this increase is described as follows:

-  Higher than expected revenue collections from Property and Sales Taxes
-  Transfers from Bridge excess cash
-  Higher Capital Contributions (Paving and Drainage Infrastructure)

Management's Discussion and Analysis

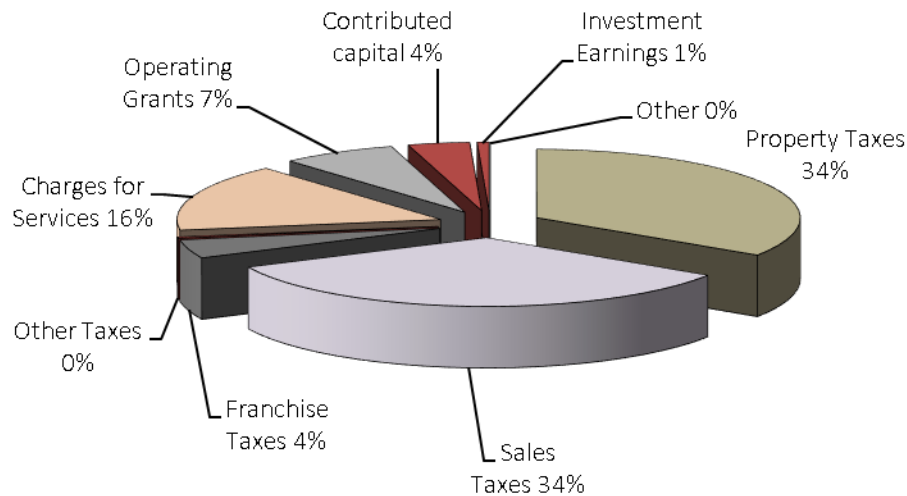
The City's condensed Changes in Net Position along with last fiscal year's numbers are presented for comparison in the following table below:

City of Pharr's Changes in Net Position						
Table 2 – Dollars in Millions	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program Revenues:						
Charges for services	\$ 9.17	\$ 10.16	\$ 29.07	\$ 29.76	\$ 38.24	\$ 39.92
Operating grants and contributions	4.06	3.84	-	0.97	4.06	4.81
Capital grants and contributions	2.17	0.06	2.78	1.35	4.94	1.41
General Revenues:						
Property tax	19.70	17.88			19.70	17.88
Sales tax	19.38	17.08			19.38	17.08
Other taxes	2.49	2.59			2.49	2.59
Other	1.15	1.21	0.26	0.14	1.41	1.35
Total Revenues	58.11	52.82	32.11	32.22	90.22	85.04
Expenses:						
General governmental	16.37	11.29			16.37	11.29
Public safety	23.81	25.32			23.81	25.32
Streets	1.48	8.71			1.48	8.71
Health and welfare	3.01	0.65			3.01	0.65
Culture and recreation	5.61	5.36			5.61	5.36
Economic Development	5.47	2.55			5.47	2.55
Interest of debt service	2.20	1.81			2.20	1.81
Issuance Cost	0.31	0.01	-	2.05	0.31	2.06
Utility			13.33	12.86	13.33	12.86
Pharr Event Center			0.77	0.78	0.77	0.78
Toll bridge			4.04	3.70	4.04	3.70
Tierra Del Sol Golf Course			1.41	1.34	1.41	1.34
Total Expenses	58.26	55.70	19.55	20.73	77.81	76.43
Excess of revenues over expenditures	(0.15)	(2.88)	12.56	11.49	12.41	8.60
Loss on land	(0.36)	(0.02)	-	-	(0.36)	(0.02)
Bad Debt Expense	(0.55)				(0.55)	-
Gain on Market Value of Land	-	1.57	-	-	-	1.57
Transfers	8.44	10.85	(8.44)	(11.24)	-	(0.39)
Net change in net position	7.38	9.52	4.12	0.25	11.50	9.76
Net position - beginning	104.29	95.42	114.86	114.58	219.15	210.00
Prior period adjustment (a)	(0.10)	(0.65)	0.23	0.03	0.13	(0.62)
Net position - ending	<u>\$ 111.57</u>	<u>\$ 104.29</u>	<u>\$ 119.21</u>	<u>\$ 114.86</u>	<u>\$ 230.78</u>	<u>\$ 219.15</u>

Management's Discussion and Analysis

The City's governmental activities' revenues source distribution is presented below.

Revenues by Source – Governmental Activities



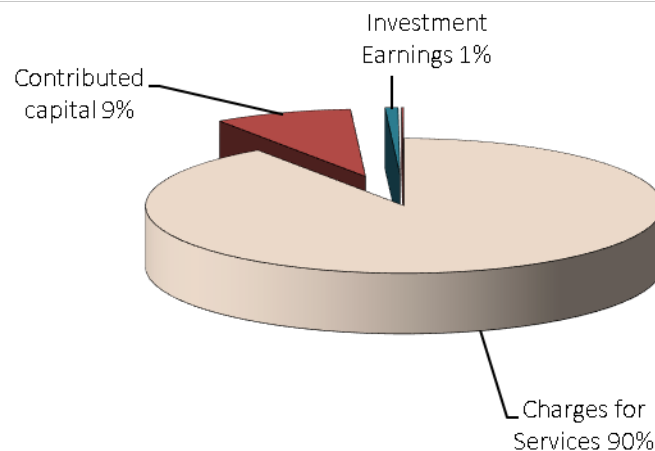
Business-Type Activities

Business-type activities increase the City's net position by \$4.38 million. One of the key changes this fiscal year for this increase was:

- Addition of Water Infrastructure of approximately \$3 million dollars.

The City's Business-Type activities' revenue source distribution is presented below.

Revenues by Source – Business-Type Activities



Management's Discussion and Analysis

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund's net change in fund balance was roughly \$ 2.04 million more than budget. The operating revenues were \$1.38 million more than budget. The main reason for this increase was due to sales tax collections greater by \$.30 million, sanitation and brush charges greater by \$.32 million. Expenditures were \$2.92 million less than budget; this is mainly from General Government (\$0.66 less than budgeted) and Public Safety (Fire) (\$0.58 million dollars less than budgeted).

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City of Pharr's Capital assets for its governmental and business-type activities amounts to \$264.75 million. This investment in capital assets includes land, buildings and system improvements, and machinery and equipment net of depreciation. The total increase in the City's net investment in capital assets for the current fiscal year was \$28.66 million or 11%.

City of Pharr's Capital Assets (Net of Depreciation)						
Table 3- Dollars in million	Governmental		Business-Type		Total	
	Activities		Activities			
	2018	2017	2018	2017	2018	2017
Water rights		\$ -	\$ 3.45	\$ 3.45	3.45	3.45
Land	17.33	8.33	3.42	3.44	20.75	11.77
Building and system improvements	27.94	24.07	14.93	15.65	42.86	39.72
Other improvements	7.80	8.09	2.86	3.12	10.66	11.21
Machinery and equipment	7.90	7.24	4.88	2.35	12.78	9.59
Infrastructure	33.10	31.57	109.22	99.39	142.32	130.96
Construction in progress	25.22	16.70	6.71	12.69	31.93	29.39
	<u>\$ 119.29</u>	<u>\$ 96.00</u>	<u>\$145.47</u>	<u>\$140.09</u>	<u>\$264.75</u>	<u>\$236.09</u>

Additional information on the City's capital assets can be found in the Notes to the Financial Statements in this report under section *III-Detailed Notes on Funds and Component Units* subsection *F-Capital Assets*.

Management's Discussion and Analysis

Long-Term Debt

At the end of the current fiscal year, the City had total contractually obligated long-term debt of \$111.85 million. The details of the change in debt from last fiscal year are as indicated:

	<u>2018</u>	<u>2017</u>	<u>Change</u>
Governmental			
Bonds	\$ 4.09	\$ 5.79	\$ (1.71)
Certificates of obligation	33.44	19.35	14.09
Capital leases	7.39	6.57	0.82
Notes	<u>18.70</u>	<u>14.14</u>	<u>4.56</u>
	63.61	45.85	17.76
 Business-Type			
Bonds	44.40	52.07	(7.67)
Capital leases	<u>3.83</u>	<u>0.03</u>	<u>3.80</u>
	48.24	52.10	(3.87)
 Total	 <u><u>\$ 111.85</u></u>	 <u><u>\$ 97.95</u></u>	 <u><u>\$ 13.90</u></u>

Long-term debt for the Governmental activities Increased by \$17.76 million. This increase was due to the second phase of a 3-year financing plan of \$56 million (total). FY 2017-2018 was the first year of this phase and issued \$19 million in bonds (Including premium) for City construction and Infrastructure.

Long-term debt for the Business-Type activities decreased by \$3.87 million. This decrease is the reduction of the debt by principal as amortized.

Additional information on the City's long-term debt can be found in the Notes to the Financial Statements in this report under section *III-Detailed Notes on Funds and Component Units* subsection *G-Long-Term Obligations*.

Pension

The adoption of Statement No. 68 resulted in the City's reporting of net pension liabilities and deferred inflows of resources and deferred outflows of resources for each of its qualified pension plans and the recognition of pension expense in accordance with the provisions of the Statement.

Management's Discussion and Analysis

Table 5 provides the City's key pension statistics related to the TMRS plan as of and for the fiscal year ended September 30, 2017:

City of Pharr's Key Pensions Statistics

Table 5-(Dollars in millions)

Net Pension Liability	\$	6.70
Pension Expense	\$	2.66

Additional information on the City's net pension liability can be found in the notes to the financial statements as indicated in the table of contents of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The University of Texas Rio Grande Valley School of Medicine will be building its Natatorium in the city. It will also develop a medical clinic campus that would help improve access to primary and specialty care for Pharr families.
- The continuous growth of the Pharr Town Center will help increase jobs and sales taxes.
- New infrastructure Bridge Projects and improvements inside the Port of Entry will streamline the truck/cargo inspection process, allowing for better flow and maximum efficiency; and more crossing revenue as consequence.
- The continued increase of produce crossings through Pharr will allow for further development of cold storage/distribution facilities, as more company expansions are breaking ground in South Pharr.
- Continued truck volumes despite the downturn in the oil and gas industry is a testament of the future potential for the bridge, as truck crossings continue the incline year after year.
- Peso devaluation is still considered a negative factor that might affect the City's sales tax in the future.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to City of Pharr, Office of the Finance Director, P.O. Box 1729, Pharr, TX 78577.

Basic Financial Statements

CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

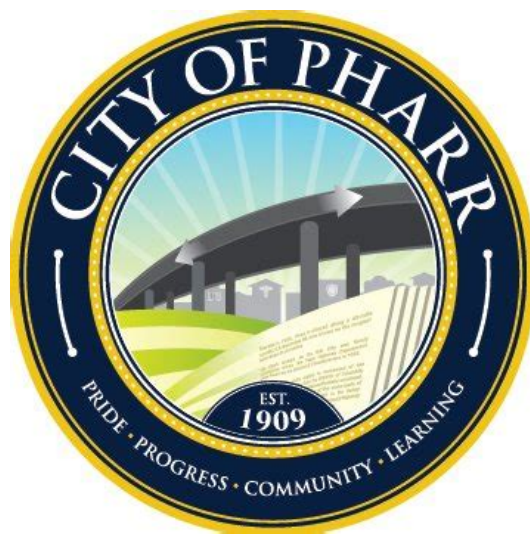
	Primary Government				
	Governmental	Business-Type		Discrete	
	Activities	Activities	Total	Component Units	Total
<u>ASSETS</u>					
Current assets:					
Cash	\$ 28,843,941	\$ 7,177,475	\$ 36,021,416	\$ 3,640,780	\$ 39,662,196
Receivables (net of allowance for uncollectible)	23,275,841	3,067,160	26,343,001	10,483	26,353,484
Prepaid items	1,218,158	-	1,218,158	-	1,218,158
Internal balances	35,554	(35,554)	-	-	-
Inventories	1,087,989	157,584	1,245,573	-	1,245,573
Land available for sale	3,074,500	-	3,074,500	-	3,074,500
Restricted assets:					
Cash	20,157,080	13,428,808	33,585,888	2,906,512	36,492,400
Cash with Fiscal Agent	2,163,114	1,616,193	3,779,307	-	3,779,307
Intergovernmental receivable	399,539	-	399,539	-	399,539
Total current assets	80,255,716	25,411,666	105,667,382	6,557,775	112,225,157
Capital assets					
Water Rights (nondepreciable)	-	3,450,000	3,450,000	-	3,450,000
Land (nondepreciable)	17,334,378	3,418,448	20,752,826	1,500,000	22,252,826
Buildings (net of acc. depreciation)	27,935,618	14,925,221	42,860,839	26,502,558	69,363,397
Improvements other than buildings (net of acc. depreciation)	7,800,971	2,861,382	10,662,353	-	10,662,353
Machinery and equipment (net of acc. depreciation)	7,901,035	4,883,000	12,784,035	130,232	12,914,267
Infrastructure (net of acc. depreciation)	33,102,412	109,222,988	142,325,400	-	142,325,400
Construction in progress (nondepreciable)	25,223,888	6,709,317	31,933,205	-	31,933,205
Total capital assets	119,298,302	145,470,356	264,768,658	28,132,790	292,901,448
Total noncurrent assets	119,298,302	145,470,356	264,768,658	28,132,790	292,901,448
Total assets	199,554,018	170,882,022	370,436,040	34,690,565	405,126,605
<u>DEFERRED OUTFLOW OF RESOURCES</u>					
Other Post Employment Benefits	82,128	-	82,128	-	82,128
Unamortized loss on refunding of debt	146,340	269,867	416,207	-	416,207
Pension-TMRS	3,362,891	-	3,362,891	-	3,362,891
Total deferred outflow of resources	3,591,359	269,867	3,861,226	-	3,861,226
<u>LIABILITIES</u>					
Current liabilities payable:					
Accounts payable and other current liabilities	5,564,010	2,744,678	8,308,688	5,790,495	14,099,183
Escrows	2,420,951	218,751	2,639,702	-	2,639,702
Current portion debt payable	7,187,133	4,660,661	11,847,794	598,083	12,445,877
Liabilities from restricted assets	-	-	-	-	-
Total current liabilities	15,172,094	7,624,090	22,796,184	6,388,578	29,184,762
Noncurrent liabilities:					
Other post employment benefit	1,123,132	-	1,123,132	-	1,123,132
Net Pension Liability	6,759,555	-	6,759,555	-	6,759,555
Due in more than one year, net	64,587,480	44,310,572	108,898,052	33,525,290	142,423,342
Total noncurrent liabilities	72,470,167	44,310,572	116,780,739	33,525,290	150,306,029
Total liabilities	87,642,261	51,934,662	139,576,923	39,913,868	179,490,791
<u>DEFERRED INFLOW OF RESOURCES</u>					
Pension-Actual Contributions vs Assumptions	3,936,027	-	3,936,027	-	3,936,027
	3,936,027	-	3,936,027	-	3,936,027
<u>NET POSITION</u>					
Net Invested in capital assets	72,653,863	98,709,752	171,363,615	(5,990,583)	165,373,032
Restricted for:					
Debt service	670,826	3,312,996	3,983,822	2,300,000	6,283,822
Capital projects	20,752,356	6,720,407	27,472,763	-	27,472,763
Economic development	3,149,029	-	3,149,029	-	3,149,029
Tourism	1,439,629	425,344	1,864,973	-	1,864,973
Reinvestment Zone	855,139	-	855,139	-	855,139
Noncurrent advances	1,623,980	-	1,623,980	-	1,623,980
Public safety	453,225	-	453,225	-	453,225
Paving and Drainage	676,190	-	676,190	-	676,190
General Government	2,163,114	-	2,163,114	-	2,163,114
Unrestricted	7,129,738	10,048,728	17,178,466	(1,532,720)	15,645,746
Total net position	\$ 111,567,089	\$ 119,217,227	\$ 230,784,316	\$ (5,223,303)	\$ 225,561,013

The notes to the financial statements are an integral part of this statement

CITY OF PHARR, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Functions/Programs	Net (Expense) Revenue and Changes in Net Position								
	Program Revenues				Primary Government			Discrete Component Unit	Total
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total		
Primary government:									
Governmental activities:									
General government	\$ 16,369,347	\$ 4,209,856	\$ 798,290	\$ -	\$ (11,361,201)		\$ (11,361,201)	-	(11,361,201)
Public safety	23,812,975	-	216,376	-	(23,596,599)		(23,596,599)	-	(23,596,599)
Highways and streets	1,480,719	471,781	-	2,169,525	1,160,587		1,160,587	-	1,160,587
Health and welfare	3,014,173	4,095,355	-	-	1,081,182		1,081,182	-	1,081,182
Culture and recreation	5,607,394	390,300	-	-	(5,217,094)		(5,217,094)	-	(5,217,094)
Economic development	5,467,102	-	-	-	(5,467,102)		(5,467,102)	-	(5,467,102)
Interest on long-term debt	2,191,997	-	-	-	(2,191,997)		(2,191,997)	-	(2,191,997)
Total governmental activities	57,943,707	9,167,292	1,014,666	2,169,525	(45,592,224)		(45,592,224)	-	(45,592,224)
Business-type activities:									
Utility	13,319,738	13,952,468	-	2,775,865		3,408,595	3,408,595		3,408,595
Pharr Event Center	768,089	340,926	-	-		(427,163)	(427,163)		(427,163)
Toll Bridge	4,037,116	13,977,932	-	-		9,940,816	9,940,816		9,940,816
Tierra Del Sol Golf Course	1,414,745	801,396	-	-		(613,349)	(613,349)		(613,349)
Total business-type activities	19,539,688	29,072,722	-	2,775,865		12,308,899	12,308,899		12,308,899
Total primary government	\$ 77,483,395	\$ 38,240,014	\$ 1,014,666	\$ 4,945,390	\$ (45,592,224)	\$ 12,308,899	\$ (33,283,325)	-	(33,283,325)
Component unit:									
Pharr Housing Finance Corporation	1,427,090	1,312,293	1,417,090					(1,302,293)	(1,302,293)
PHFC Jackson Place Apartments	977,988	-	-					977,988	977,988
Debt Interest and Issuance Cost	\$ 1,650,827	\$ -	\$ -					1,650,827	1,650,827
	4,055,905	1,312,293	1,417,090					1,326,522	1,326,522
General revenues:									
Property taxes					19,688,629	-	19,688,629	-	19,688,629
Sales taxes					19,375,501	-	19,375,501	-	19,375,501
Franchise taxes					5,534,724	-	5,534,724	-	5,534,724
Other Contributions					559,200	-	559,200	-	559,200
Other taxes					162,152	-	162,152	-	162,152
Investment earnings					416,743	259,408	676,151	9,160	685,311
Loss on Sale on Assets					(356,190)	-	(356,190)	-	(356,190)
Bad Debt Expenditure					(553,375)	-	(553,375)	-	(553,375)
Other					-	4,028	4,028	90,363	94,391
Cost of Issuance					(306,385)	-	(306,385)	-	(306,385)
Transfers					8,445,228	(8,445,228)	-	-	-
Total general revenues and transfers					52,966,227	(8,181,792)	44,784,435	99,523	44,883,958
Change in net position					7,374,003	4,127,107	11,501,110	(1,226,999)	10,274,111
Net position - beginning					104,294,930	114,855,241	219,150,171	(4,319,594)	214,830,577
Prior period adjustment					(101,844)	234,879	133,035	323,290	456,325
Net position - ending	\$				\$ 111,567,089	\$ 119,217,227	\$ 230,784,316	\$ (5,223,303)	\$ 225,561,013

The notes to the financial statements are an integral part of this statement



**CITY OF PHARR, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018**

		General	Pharr Economic Development Corporation, Inc.	General Capital Improvements	Non-Major Governmental	Total Governmental
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>						
Cash	\$	14,840,339	\$ 2,376,887	\$ 6,375,663	5,191,451	\$ 28,784,340
Receivables (net of allowance for uncollectible):						
Property taxes		1,821,586	-	-	241,250	2,062,836
Warrants		7,516,866	-	-	-	7,516,866
Sales tax		2,502,816	834,272	-	-	3,337,088
Notes		-	2,089,338	-	55,224	2,144,562
Accounts		827,632	-	-	143,563	971,195
Intergovernmental		-	-	400,000	-	400,000
Other		6,536,224	46,807	-	260,264	6,843,295
Prepaid Items		-	107,600	1,110,557	-	1,218,157
Inventories		1,026,573	-	-	-	1,026,573
Land Available for Sale		-	3,074,500	-	-	3,074,500
Due from other funds		1,845,285	205,000	140,744	-	2,191,029
Restricted assets:						
Cash		-	347,833	19,809,247	-	20,157,080
Cash with Fiscal Agent		2,163,114	-	-	-	2,163,114
Intergovernmental receivable		-	-	-	399,539	399,539
Total assets	\$	<u>39,080,435</u>	\$ <u>9,082,237</u>	\$ <u>27,836,211</u>	<u>6,291,291</u>	\$ <u>82,290,174</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>						
Liabilities:						
Accounts payable	\$	2,199,793	\$ 502,623	\$ 1,323,171	475,286	\$ 4,500,873
Accrued liabilities		573,615	-	-	-	573,615
Due to other funds		205,000	83,225	1,213,019	634,242	2,135,486
Escrow accounts		2,073,746	12,088	335,117	-	2,420,951
Unearned revenue		-	-	-	-	-
Total liabilities		<u>5,052,154</u>	<u>597,936</u>	<u>2,871,307</u>	<u>1,109,528</u>	<u>9,630,925</u>
Deferred Inflows of Resources:						
Deferred property tax		1,821,586	-	-	241,250	2,062,836
Deferred accounts		827,632	-	-	143,563	971,195
Deferred warrants		7,516,866	-	-	-	7,516,866
Deferred notes		-	2,089,338	-	55,224	2,144,562
Total deferred inflow of resources		<u>10,166,084</u>	<u>2,089,338</u>	<u>-</u>	<u>440,037</u>	<u>12,695,459</u>

		General	Economic Development Corporation 4B	General Capital Improvements	Non-Major Governmental	Total Governmental
Fund balances:						
	Nonspendable:					
	Inventory	1,026,573	3,074,500	-		4,101,073
	Noncurrent advances	1,623,981	-	-	-	1,623,981
	Restricted:					
	General government	-	-	-	-	-
	Debt service	-	-	-	558,483	558,483
	Street paving and drainage	-	-	-	676,190	676,190
	Tourism	-	-	-	1,439,629	1,439,629
	Public safety	-	-	-	453,225	453,225
	Parkland	-	-	-	244,783	244,783
	Community development	-	-	-	514,277	514,277
	Economic development	-	3,320,463	-	855,139	4,175,602
	Committed:					
	Contingency	9,982,957	-	-	-	9,982,957
	Assigned:					
	General government	3,647,735	-	-		3,647,735
	Capital outlay	2,163,114	-	24,964,904		27,128,018
	Encumbrances	2,199,793	-	-	-	2,199,793
	Unassigned:					
		3,218,044	-	-	-	3,218,044
	Total fund balances	<u>23,862,197</u>	<u>6,394,963</u>	<u>24,964,904</u>	<u>4,741,726</u>	<u>59,963,790</u>
Total liabilities, deferred inflows of resources and fund balances		\$ <u><u>39,080,435</u></u>	\$ <u><u>9,082,237</u></u>	\$ <u><u>27,836,211</u></u>	\$ <u><u>6,291,291</u></u>	\$ <u><u>82,290,174</u></u>

The notes to the financial statements are an integral part of this statement

CITY OF PHARR, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds balance sheet	\$	59,963,790
(1) When capital assets that are to be used in governmental activities are purchased, the cost of those assets are reported as expenditures in governmental funds. However, the statement of net asset includes those capital assets among the assets of the city as a whole		
Cost of capital assets	210,241,475	
Accumulated depreciation	<u>(91,321,819)</u>	118,919,656
(2) Internal service funds are used by management to charge the costs of fleet management and workman's compensation to individual funds. 100% of the assets is allocated to governmental activities. The assets and liabilities of these internal service funds are included in governmental activities in the statement of net position		
Garage	<u>395,754</u>	395,754
(3) Long-term liabilities applicable to the city's governmental activities are not due in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position		
Bonds/Certificates/Notes		
Current	(4,261,103)	
Long-term	(52,141,390)	
Capital leases	-	
Current	(1,655,720)	
Long-term	(5,721,056)	
Unamortized loss -Deferred outflow	146,340	
Unamortized debt activity	<u>(2,926,876)</u>	(66,559,805)
(4) Because some property tax will not be collected for several months after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are considered deferred in governmental funds		
Tax receivable	2,548,176	
Allowance	<u>(485,340)</u>	2,062,836
(5) Because some sanitation, brush, and paving fees will not be collected for several months after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are considered deferred in governmental funds		
Sanitation	722,599	
Brush & Debris	-	
Paving	143,563	
Library	53,559	
Alarm permits	<u>51,474</u>	971,195
(6) Interest expense in the statement of activities differs from the amount reported in governmental funds due to accrued interest calculated for bonds and notes payable		
Bonds	(55,313)	
Certificates	(73,593)	
Notes	<u>(29,851)</u>	(158,757)

CITY OF PHARR, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2018-Continued

(7) Certain accrued obligations not normally expected to be liquidated with expendable available financial resources unless they are due for payment in the current period. The difference in compensated absences from last year to this year is recorded in the statement of activities			
	Current	(1,253,829)	
	Long-term	<u>(4,061,486)</u>	(5,315,315)
(8) Because some warrants will not be collected for some time after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are considered deferred in governmental funds			
	Warrants receivable	12,664,433	
	Allowance	<u>(5,147,567)</u>	7,516,866
(9) Employers that participate in defined contribution OPEB plans are required to recognize OPEB liability for unpaid required contributions			
	OPEB Deferred Outflow	82,128	
	OPEB Liability	<u>(1,123,132)</u>	(1,041,004)
(10) Because some EDC loan receivables will not be collected for some time after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are considered deferred in governmental funds.			
		<u>2,144,562</u>	2,144,562
(11) Deferred Outflow Pension Contributions			
	Deferred Inflow	(3,936,027)	
	Net Pension Liability	<u>(6,759,555)</u>	(7,332,692)
Rounding Difference			<u>3</u>
Net position of governmental activities - statement of net position		<u>\$</u>	<u>111,567,089</u>

The notes to the financial statements are an integral part of this statement

CITY OF PHARR, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	General	Pharr Economic Development Corporation, Inc.	General Capital Improvements	Non-Major Governmental	Total Governmental
REVENUES					
Taxes:					
Property	\$ 16,626,665	\$ -	\$ -	\$ 3,017,360	\$ 19,644,025
Sales	14,017,135	4,672,378	-	685,987	19,375,500
Franchise	2,491,884	-	-	3,042,840	5,534,724
Other	162,152	-	-	-	162,152
Licenses and permits	722,697	-	-	-	722,697
Intergovernmental	614,666	-	400,000	-	1,014,666
Fees and charges:					
Sanitation	2,861,932	-	-	-	2,861,932
Brush	1,182,051	-	-	-	1,182,051
Other	1,473,662	-	-	1,200,301	2,673,963
Fines	1,067,894	-	-	-	1,067,894
Interest income	281,309	89,135	-	46,299	416,743
Other	783,544	374,626	-	33,063	1,191,233
Total revenues	<u>42,285,591</u>	<u>5,136,139</u>	<u>400,000</u>	<u>8,025,850</u>	<u>55,847,580</u>
EXPENDITURES					
Current:					
General government	11,575,564	-	3,760,451	1,047,917	16,383,932
Public safety	22,822,815	-	2,873,036	907,082	26,602,933
Highways and streets	4,071,112	-	4,682,968	10,115	8,764,195
Health and welfare	2,853,212	-	-	-	2,853,212
Culture and recreation	5,235,128	-	6,618,233	399,881	12,253,242
Economic development	-	8,690,596	-	-	8,690,596
Debt service:					
Principal	1,371,606	4,595,485	689,391	5,390,242	12,046,724
Interest	97,919	378,005	216,696	1,699,977	2,392,597
Total expenditures	<u>48,027,356</u>	<u>13,664,086</u>	<u>18,840,775</u>	<u>9,455,214</u>	<u>89,987,431</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,741,765)</u>	<u>(8,527,947)</u>	<u>(18,440,775)</u>	<u>(1,429,364)</u>	<u>(34,139,851)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	8,026,700	1,229,500	22,787,522	5,345,799	37,389,521
Transfers (out)	(22,994,751)	(1,697,200)	(2,240,000)	(2,571,543)	(29,503,494)
Cost of Issuance	(306,385)	-	-	-	(306,385)
Issuance of debt	19,678,700	2,841,028	7,300,000	-	29,819,728
Issuance of debt-Premium	2,297,190	-	-	-	2,297,190
Total other financing sources and uses	<u>6,701,454</u>	<u>2,373,328</u>	<u>27,847,522</u>	<u>2,774,256</u>	<u>39,696,560</u>
SPECIAL ITEMS					
Gain/(Loss) Land Valuation	-	(356,190)	-	-	(356,190)
Total special items	<u>-</u>	<u>(356,190)</u>	<u>-</u>	<u>-</u>	<u>(356,190)</u>
Net change in fund balance	959,689	(6,510,809)	9,406,747	1,344,892	5,200,519
Fund balance - beginning	22,754,602	12,869,140	15,690,296	3,395,192	54,709,230
Prior period adjustment	147,906	36,632	(132,139)	1,642	54,041
Fund balance - ending	<u>\$ 23,862,197</u>	<u>\$ 6,394,963</u>	<u>\$ 24,964,904</u>	<u>\$ 4,741,726</u>	<u>\$ 59,963,790</u>

The notes to the financial statements are an integral part of this statement

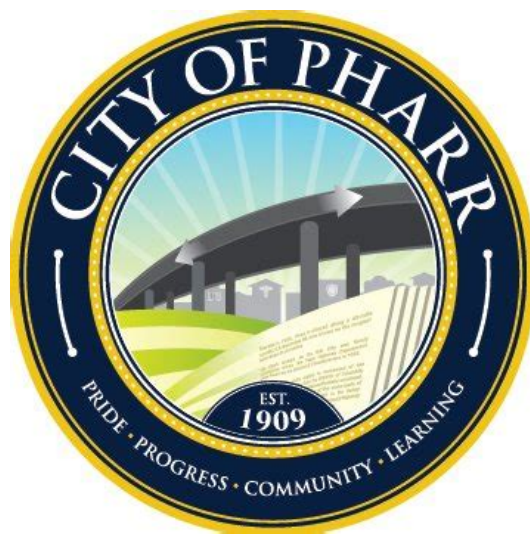
CITY OF PHARR, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Amounts reported for governmental activities in the statement of activities are different because:

	Net change in fund balances - total governmental funds	\$	5,200,519
(1)	Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period		
	Capital assets purchases	25,200,306	
	Depreciation expense	<u>(4,036,439)</u>	21,163,867
(2)	Governmental funds do not recognize developer contribution of land, roads, paving and draining as donation/contribution revenue nor as an increase in governmental expenditures. This is the net amount by which contributed capital increased the capital assets net or related debt of the city		
	Contributed capital - drainage	618,801	
	Contributed capital - streets	<u>1,550,724</u>	2,169,525
(3)	Internal service funds are used by management to charge the costs of fleet management and workman's compensation to individual funds. 100% is allocated to governmental activities. This is the net revenue of certain activities of internal service funds		
	Garage	<u>(7,690)</u>	(7,690)
(4)	Repayment of bond principal is reported as an expenditure in governmental funds. For the city as a whole, however, the principal payments reduce the liabilities in the statement of net assets and do not result in an expense in the statement of activities. The city's bonded debt was reduced in due to principal payments made to bondholder's and the amortization of the debt issuance cost, premium/discount, and gain or loss on refunding, which results in an increase to interest expenses. Also, any new debt issuances are recorded as other financial sources but not counted as revenue in governmental activities. This is the result of debt activity		
	New lease/notes proceeds	(12,579,728)	
	Certificate of Obligation proceeds	(19,537,189)	
	Lease/Notes	1,901,848	
	Tax Notes Principal Paid	689,391	
	Bond Principal Paid	4,860,000	
	Loan Principal Paid	4,595,485	
	Unamortized debt activity	<u>232,277</u>	(19,837,916)
(5)	Because some property tax will not be collected for several months after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds		
	Collections	<u>44,604</u>	44,604
(6)	Because some sanitation and brush fees will not be collected for several months after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds		
	Sanitation	22,570	
	Paving	1,146	
	Library	2,255	
	Alarm Fees	<u>16,370</u>	42,341

CITY OF PHARR, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - Continued
FOR THE YEAR ENDED SEPTEMBER 30, 2018

(7)	Interest expense in the statement of activities differs from the amount reported in governmental funds due to accrued interest calculated for bonds and notes payable	Current year accrual (158,757) Prior year accrual 127,081	(31,676)
(8)	Certain accrued obligations not normally expected to be liquidated with expendable available financial resources unless they are due for payment in the current period. Compensated absences is recorded in the statement of assets	Current year (5,015,315) Prior year 5,436,784	421,469
(9)	Because some warrant fines will not be collected for some time after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds	Prior Year Warrant A/R (8,624,531) Current Year Warrant A/R 7,516,866	(1,107,665)
(10)	Employers that participate in defined contribution OPEB plans are required to recognize OPEB expense/expenditures for their net required contributions to the plan	OPEB Liability - This fiscal year (363,376) Trust fund contributions 188,763	(174,613)
(11)	Loans issued to outside entities for Economic development are considered expenses governmental funds but not in the statement of activities.	532,846	532,846
(12)	GASB 68 recognition on Pension Expense requires an adjustment to reflect in Statement of Activities	\$ (488,234) \$	(488,234)
(13)	Bad Debt Expenditures for Governmental Note Receivables are considered expenditures in Statement of Activities but not in the Statement of Revenues and Expenses		(553,375)
	Rounding difference		<u>1</u>
	Change in net position of governmental activities	<u>\$ 7,374,003</u>	



CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2018

		Business-type Enterprise Funds					Governmental Activities - Internal Service Fund
		Utility	Pharr Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	
<u>ASSETS</u>							
Current assets:							
Cash	\$	741,142	\$ 326,728	\$ 5,762,192	\$ 347,413	\$ 7,177,475	\$ 59,602
Receivables (net of allowance for uncollectible):				-	-		
Accounts		2,707,042	232,916	103,084	22,686	3,065,728	-
Other		1,432	-	-	-	1,432	-
Prepayment		-	-	-	-	-	
Inventories		138,421	9,261	-	9,903	157,585	61,416
Restricted assets:							
Cash		13,280,149	-	148,659	-	13,428,808	-
Cash with Fiscal Agent		-	-	1,280,462	335,731	1,616,193	-
Total current assets		16,868,186	568,905	7,294,397	715,733	25,447,221	121,018
Capital assets							
Water Rights (nondepreciable)		3,450,000	-	-	-	3,450,000	-
Land (nondepreciable)		814,236	785,224	819,645	999,342	3,418,447	365,017
Buildings (net of acc. depreciation)		10,894,477	2,367,221	1,349,704	313,819	14,925,221	2,031
Improvements other than buildings (net of acc. depreci:		617,967	101,603	149,190	1,992,621	2,861,381	-
Machinery and equipment (net of acc. depreciation)		2,159,031	19,822	2,513,934	190,213	4,883,000	11,598
Infrastructure (net of acc. depreciation)		96,834,527	-	12,364,948	23,513	109,222,988	-
Construction in progress (nondepreciable)		4,763,401	-	1,945,916	-	6,709,317	-
Total capital assets		119,533,639	3,273,870	19,143,337	3,519,508	145,470,354	378,646
Total noncurrent assets		119,533,639	3,273,870	19,143,337	3,519,508	145,470,354	378,646
Total assets		136,401,825	3,842,775	26,437,734	4,235,241	170,917,575	499,664
<u>DEFERRED OUTFLOW OF RESOURCES</u>							
Unamortized loss on refunding of debt		260,648	-	9,219	-	269,867	-
Total deferred outflow of resources		260,648	-	9,219	-	269,867	-

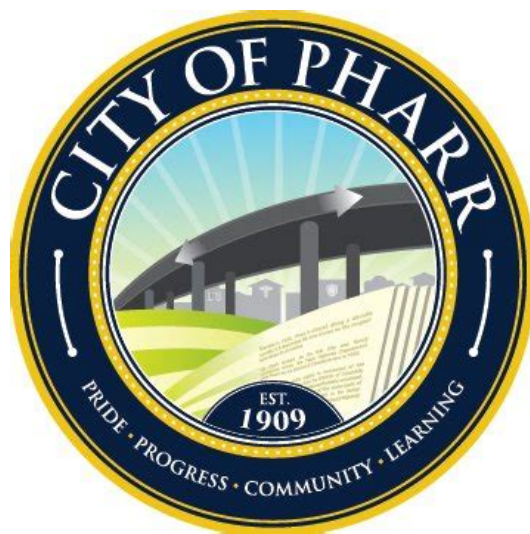
Business-type Enterprise Funds						Governmental Activities - Internal Service Fund
	Utility	Boggus Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	
LIABILITIES						
Current liabilities payable:						
Accounts payable	1,126,222	50,569	969,737	41,840	2,188,368	30,769
Due to other funds	15,179	4,753	12,152	3,469	35,553	19,988
Unearned revenue	-	29,312	-	48,328	77,640	-
Total current liabilities payable	<u>1,141,401</u>	<u>84,634</u>	<u>981,889</u>	<u>93,637</u>	<u>2,301,561</u>	<u>50,757</u>
Current liabilities payable from restricted assets:						
Customer deposits payable	478,669	-	-	-	478,669	-
Escrow payable	218,750	-	-	-	218,750	-
Matured accrued compensation	105,651	14,732	43,745	19,543	183,671	8,690
Matured capital lease	260,736	-	458,682	48,571	767,989	7,791
Matured bonds/notes, net	3,084,000	-	625,000	-	3,709,000	-
Total current liabilities payable from restricted assets	<u>4,147,806</u>	<u>14,732</u>	<u>1,127,427</u>	<u>68,114</u>	<u>5,358,079</u>	<u>16,481</u>
Total current liabilities	<u>5,289,207</u>	<u>99,366</u>	<u>2,109,316</u>	<u>161,751</u>	<u>7,659,640</u>	<u>67,238</u>
Noncurrent liabilities:						
Accrued compensation	316,952	44,195	131,236	58,630	551,013	26,069
Other post employment benefit	-	-	-	-	-	-
Capital lease payable	1,493,972	-	1,325,132	244,751	3,063,855	10,603
Bonds/notes principal payable	38,544,239	-	2,151,463	-	40,695,702	-
Total noncurrent liabilities	<u>40,355,163</u>	<u>44,195</u>	<u>3,607,831</u>	<u>303,381</u>	<u>44,310,570</u>	<u>36,672</u>
Total liabilities	<u>45,644,370</u>	<u>143,561</u>	<u>5,717,147</u>	<u>465,132</u>	<u>51,970,210</u>	<u>103,910</u>
NET POSITION						
Invested in capital assets, net of related debt	77,626,639	3,273,871	14,583,059	3,226,187	98,709,756	370,854
Restricted for:						
Debt service	3,164,337	-	148,659	-	3,312,996	-
Capital projects	6,384,676	-	-	335,731	6,720,407	-
Tourism	-	425,343	-	-	425,343	-
Unrestricted	3,842,451	-	5,998,088	208,191	10,048,730	24,900
Total net position	<u>\$ 91,018,103</u>	<u>\$ 3,699,214</u>	<u>\$ 20,729,806</u>	<u>\$ 3,770,109</u>	<u>\$ 119,217,232</u>	<u>\$ 395,754</u>

The notes to the financial statements are an integral part of this statement

CITY OF PHARR, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Business-type Enterprise Funds					Governmental Activities - Internal Service Fund
	Utility	Pharr Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	
Operating revenues:						
Charges for sales and services:						
Water sales	\$ 7,834,914	\$ -	\$ -	\$ -	\$ 7,834,914	\$ -
Sewer service	5,698,208	-	-	-	5,698,208	-
Tap fees	293,635	-	-	-	293,635	-
Toll fees	-	-	13,675,346	-	13,675,346	-
Golf services	-	-	-	699,330	699,330	-
Event Center	-	340,926	-	-	340,926	-
Other	125,711	-	302,586	102,066	530,363	685,928
Total operating revenues	13,952,468	340,926	13,977,932	801,396	29,072,722	685,928
Operating expenses:						
Personnel services	3,152,671	403,301	1,061,295	717,411	5,334,678	181,955
Supplies and Materials	1,461,828	121,903	166,135	224,790	1,974,656	-
Contractual Services	3,040,153	149,522	1,887,524	208,984	5,286,183	474,064
Depreciation	4,585,007	93,363	768,429	247,668	5,694,467	37,036
Total operating expenses	12,239,659	768,089	3,883,383	1,398,853	18,289,984	693,055
Operating income (loss)	1,712,809	(427,163)	10,094,549	(597,457)	10,782,738	(7,127)
Nonoperating revenues (expenses):						
Investment earnings	148,474	1,656	96,427	12,852	259,409	-
Interest expense	(1,412,926)	-	(185,543)	(15,892)	(1,614,361)	(562)
Amortization expense	332,847	-	31,811	-	364,658	-
Intergovernmental	-	-	-	-	-	-
Other	1,167	-	-	2,861	4,028	-
Issuance cost	-	-	-	-	-	-
Total nonoperating revenues (expenses)	(930,438)	1,656	(57,305)	(179)	(986,266)	(562)
Income before contributions and transfers	782,371	(425,507)	10,037,244	(597,636)	9,796,472	(7,689)
Transfers in	-	398,599	520,000	439,200	1,357,799	-
Transfers (out)	(565,500)	-	(9,237,527)	-	(9,803,027)	-
Capital contributions	2,775,865	-	-	-	2,775,865	-
	2,210,365	398,599	(8,717,527)	439,200	(5,669,363)	-
Changes in Net Position	2,992,736	(26,908)	1,319,717	(158,436)	4,127,109	(7,689)
Total net position - beginning	87,890,591	3,730,982	19,305,121	3,928,545	114,855,239	403,443
Prior period adjustment	134,776	(4,860)	104,968	-	234,884	-
Total net position - ending	\$ 91,018,103	\$ 3,699,214	20,729,806	\$ 3,770,109	\$ 119,217,232	\$ 395,754

The notes to the financial statements are an integral part of this statement

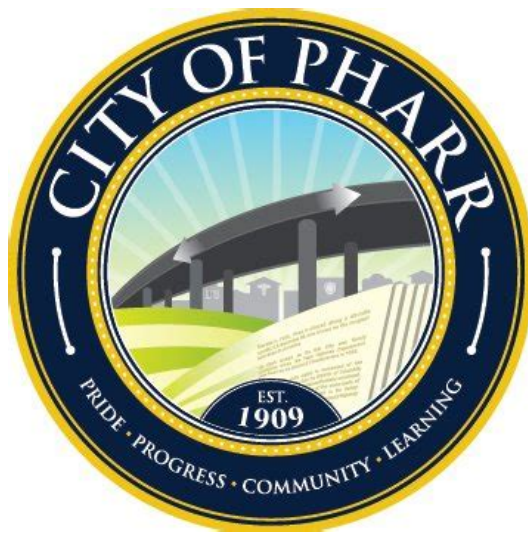


**CITY OF PHARR, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

	Business-type Enterprise Funds					Governmental Activities - Internal Service Fund
	Utility	Pharr Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 12,274,034	\$ 202,575	\$ 13,678,041	\$ 794,804	\$ 26,949,454	\$ 685,928
Payments to suppliers	(1,396,753)	(126,577)	(166,135)	(230,341)	(1,919,806)	(12,683)
Payments to employees	(3,376,223)	(420,784)	(1,136,810)	(754,664)	(5,688,481)	(193,643)
Payments for contractual services	(2,883,021)	(102,829)	(1,107,906)	(230,354)	(4,324,110)	(471,351)
Payments (to)/from others	75,899	-	302,586	-	378,485	-
Net cash flow (to)/from operating activities	4,693,936	(447,615)	11,569,776	(420,555)	15,395,542	8,251
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Receipts from grants					-	-
Advances (to)/from other funds	(7,933)	(505)	(3,285)	(4,526)	(16,249)	(1,923)
Transfers in from other funds	-	398,599	520,000	439,200	1,357,799	-
Transfers out to other funds	(565,500)	-	(9,237,527)	-	(9,803,027)	-
Net cash provided/(used) by noncapital and related financing activities	(573,433)	398,094	(8,720,812)	434,674	(8,461,477)	(1,923)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Bond/Lease Proceeds					-	-
Acquisition and construction of capital assets	(7,184,322)	-	(3,751,488)	(141,564)	(11,077,374)	-
Principal paid on long-term debt	(1,599,696)	-	(637,868)	181,369	(2,056,195)	(7,656)
Interest paid on long-term debt	(1,553,545)	-	(178,461)	(15,892)	(1,747,898)	(562)
Other	532,345	(4,863)	139,082	2,860	669,422	-
Net cash provided/(used) by capital and related financing activities	(9,805,218)	(4,863)	(4,428,735)	26,773	(14,212,045)	(8,218)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest income received	148,474	1,657	96,427	12,852	259,410	
Net cash provided/(used) by investing activities	148,474	1,657	96,427	12,852	259,410	-
NON CASH INVESTING/FINANCING ACTIVITIES						
Capital Contributions	2,775,865	-	-	-	2,775,865	-
Noncash provided/(used) by investing/financing	2,775,865	-	-	-	2,775,865	-
Net increase/(decrease) in cash	(2,760,376)	(52,727)	(1,483,344)	53,744	(4,242,703)	(1,890)
Cash beginning of fiscal year	16,781,667	379,455	8,674,657	629,400	26,465,179	61,492
Cash end of fiscal year	\$ 14,021,291	\$ 326,728	7,191,313	\$ 683,144	\$ 22,222,476	\$ 59,602

	Business-type Enterprise Funds					Governmental
	Utility	Pharr Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	Activities - Internal Service Fund
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 1,712,809	(427,163)	10,094,549	(597,457)	\$ 10,782,738	\$ (7,127)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation	4,585,007	93,363	768,429	247,668	5,694,467	37,036
(Increase) Decrease in Accounts and Other Receivables, net	85,297	(148,750)	7,867	(6,705)	(62,291)	-
(Increase) Decrease in Inventories	65,075	(4,674)	-	(5,551)	54,850	-
(Increase) Decrease in Other Assets	-	-	-	-	-	-
Increase (Decrease) in Accounts Payable	157,132	46,694	779,618	(21,370)	962,074	-
Increase (Decrease) in Accrued Compensation	(223,552)	(17,483)	(75,514)	(37,253)	(353,802)	-
Increase (Decrease) in Deferred/Escrow Revenue	75,899	10,398	(5,173)	113	81,237	-
Increase (Decrease) in Customer Deposits	(1,763,731)	-	-	-	(1,763,731)	-
Increase (Decrease) in Other Liabilities	-	-	-	-	-	-
Total adjustments	<u>2,981,127</u>	<u>(20,452)</u>	<u>1,475,227</u>	<u>176,902</u>	<u>4,612,804</u>	<u>37,036</u>
Net cash provided (used) by operating activities	\$ <u>4,693,936</u>	\$ <u>(447,615)</u>	<u>11,569,776</u>	\$ <u>(420,555)</u>	\$ <u>15,395,542</u>	\$ <u>29,909</u>

The notes to the financial statements are an integral part of this statement



DISCRETE COMPONENT UNITS

BASIC FINANCIAL STATEMENTS

PHARR HOUSING FINANCE CORPORATION (PHFC)

JACKSON PLACE APARTMENTS

CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

	Pharr Housing Finance Corporation	PHFC Jackson Place Apartments	Total
<u>ASSETS</u>			
Current assets:			
Cash	\$ 3,392,792	\$ 247,988	\$ 3,640,780
Receivables (net of allowance for uncollectible)	-	10,483	10,483
NonCurrent assets:			
Restricted assets:			
Cash	-	2,906,512	2,906,512
Total current assets	<u>3,392,792</u>	<u>3,164,983</u>	<u>6,557,775</u>
Capital assets			
Land (nondepreciable)	-	1,500,000	1,500,000
Buildings	-	26,502,558	26,502,558
Machinery and Equipment	-	130,232	130,232
Total capital assets	<u>-</u>	<u>28,132,790</u>	<u>28,132,790</u>
Total assets	<u>3,392,792</u>	<u>31,297,773</u>	<u>34,690,565</u>
<u>LIABILITIES</u>			
Current liabilities payable:			
Current portion debt payable	-	598,083	598,083.00
Accounts payable and other current liabilities	4,061,300	1,718,935	5,780,235
Unearned revenue	-	10,260	10,260
Total current liabilities payable	<u>4,061,300</u>	<u>2,327,278</u>	<u>6,388,578</u>
Noncurrent liabilities:			
Due in more than one year, net	-	33,525,290	33,525,290
Total non current liabilities	<u>4,061,300</u>	<u>35,852,568</u>	<u>39,913,868</u>
Total liabilities			
<u>NET POSITION</u>			
Net Invested in capital assets	-	(5,990,583)	(5,990,583)
Unrestricted	(668,508)	1,435,788	767,280
Total net position	<u>(668,508)</u>	<u>1,435,788</u>	<u>767,280</u>
	\$ <u>(668,508)</u>	\$ <u>(4,554,795)</u>	\$ <u>(5,223,303)</u>

The notes to the financial statements are an integral part of this statement

CITY OF PHARR, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Component Unit
Component Unit				
Pharr Housing Finance Corporation	\$ 1,427,090	\$ -	\$ -	\$ (1,427,090)
PHFC Jackson Place Apartments	977,988	1,312,293	1,417,090	1,751,395
Debt Interest and Issuance Cost	1,650,827	-	-	(1,650,827)
Total component unit	<u>\$ 4,055,905</u>	<u>\$ 1,312,293</u>	<u>\$ 1,417,090</u>	<u>\$ (1,326,522)</u>
 Total component unit	 <u>\$ 4,055,905</u>	 <u>\$ 1,312,293</u>	 <u>\$ 1,417,090</u>	 <u>\$ (1,326,522)</u>
<u>General revenues:</u>				
Investment earnings				9,160
Other				90,363
Total general revenues and transfers				99,523
Change in net position				(1,226,999)
Net position - beginning				(4,319,594)
Prior Period Adjustment				323,290
Net position - ending				<u>\$ (5,223,303)</u>

The notes to the financial statements are an integral part of this statement

NOTES TO THE FINANCIAL STATEMENTS

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

The City of Pharr, Texas (City) founded in 1909 and was incorporated as a general law city on February 22, 1916. The City charter was approved via election and adopted with an effective date of December 1, 1949. The charter established a City Manager form of government. The municipal government provided by the Charter of the City of Pharr shall be known as the Board of Commissioners. The Board of Commissioners shall consist of a Mayor and six (6) Commissioners and which shall enact local legislation, adopt budgets, determine policies, and appoint the City Manager, who is held responsible to the Board of Commissioners for the execution of the laws and the administration of the government of the City.

The general governmental functions include law enforcement, fire and other public safety activities, streets, sanitation, public improvements, public charities, parks and recreation, library services, zoning and general administrative services. Enterprise funds are used to account for the operations of its utility, bridge, and golf operations.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United State of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board (FASB), when applicable.

B. Financial Reporting Entity

The City's financial reporting entity comprises the following:

Primary Government: City of Pharr

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units with the City's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the City holds the corporate powers of the organization
- the city appoints a voting majority of the organization's board
- the City can impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is fiscal dependency by the organization on the City

Blended Component Unit

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the City Commission or the component unit provides services entirely to the City. These component units' funds are blended into those of the City's by appropriate activity type to compose the primary government presentation.

The City has three blended component units, the Pharr Economic Development Corporation (PEDC) II, Inc., Pharr Public Facilities Corporation No. 1 and Tax Increment Reinvestment Zone No. 1. Information for these component units is stated below:

Pharr Economic Development Corporation II, Inc. – (PEDC) is a nonprofit industrial development corporation organized for the same purpose as the PEDC 4a but with the legal authority to use sales tax funds for a wider range of projects. Sales taxes are collected under Section 4B of the Development Corporation Act of 1979 for these purposes. Voted by the citizens of Pharr on November 4, 2008 and ratified by the City Commission on November 10, 2008 via ordinance O-2008-49, the PEDC 4a was dissolved and the PEDC was authorized to receive the sales tax revenue which is its main revenue source. The PEDC board is fully appointed by the City Board of Commissioners.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

B. Financial Reporting Entity- (continued)

The reason it is a blended component unit is because the City appoints all PEDC board members and can be removed them at will, therefore, the PEDC board is substantially the same as the City governing body. Separate financial statements issued by the PEDC can be obtained by request at the following address: *PEDC- 1215 South Cage Blvd. Pharr, TX 78577.*

Tax Increment Reinvestment Zone No. 1-On March 2012, the City Commissioners created the Tax Increment Reinvestment Zone No. 1 (TIRZ No. 1). TIRZ is a separate entity with its own EIN, whose three of its board members consists of the same members of the City Commission. TIRZ No. 1 was established to provide a financing mechanism to facilitate a high-quality development in the Pharr area. Created by ordinance No. O-2011-46 in September 2011, TIRZ No. 1 is set to expire on January 1st, 2051 or the date when all project costs are paid, and all debt is retired, whichever comes first. Separate financial statements issued by TIRZ No. 1 can be obtained by request at the following address: *TIRZ No. 1 P.O. Box 1729 Pharr, TX 78577.*

Tax Increment Reinvestment Zone No. 2-On February 2015, the City Commissioners created the Tax Increment Reinvestment Zone No. 2 (TIRZ No. 2). TIRZ is a separate entity with its own EIN, whose three of its board members consists of the same members of the City Commission. TIRZ No. 2 was established to provide a financing mechanism to facilitate a high-quality development in the Pharr area. Created by ordinance No. O-2015-52 in November 2015 TIRZ No. 2 is set to expire on January 1st, 2035 or the date when all project costs are paid, and all debt is retired, whichever comes first. Separate financial statements issued by TIRZ No. 2 can be obtained by request at the following address: *TIRZ No. 2 P.O. Box 1729 Pharr, TX 78577.*

Discretely Presented Component Units

The component unit column in the government-wide financial statements includes the financial data of the City's component unit. The unit is reported in a separate column to emphasize that they are legally separate from the City but are included because the primary government is financially accountable and can impose its will on the organization. This component unit subscribe to the accounting policies and procedures of the primary government.

Pharr Housing Finance Corporation-On November 2015, the Pharr Housing Finance Corporation (PHFC) was created for the purpose of carrying out the purposes of the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, by providing a means of financing the cost of residential ownership and development that will provide decent, safe and sanitary housing for residents of the City of Pharr at prices they can afford. The Board of Directors is composed in its entirety of persons who are members of the governing body of the City, and whose terms of office shall be fixed by and run conterminous with their respective terms of office on such governing body of the City. PHFC is considered a Discrete Component Unit based on the criteria established by GASB Statement No. 61. PHFC uses same fiscal year as City of Pharr

PHFC Jackson Place Apartments-On November 2015, PHFC Jackson Place Apartments Corporation was created for the purpose of holding liability to construct an apartment complex located on the corner of Jackson and Sioux Rd. in Pharr, Texas to meet the purpose of the Texas Housing Finance Corporation Act mentioned above. The City Manager is the designated official to act as the Executive Director of the corporation.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

C. Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information on all the non-fiduciary financial information for the City and its component units. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Eliminations have been made to minimize the double-counting of internal activities. Individual funds are not displayed but the statements distinguish governmental activities (generally supported by taxes and City general revenue) from business-type activities (generally financed in whole or in part with fees charged to external customers). The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operations or capital requirements of a program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The fund financial statements provide reports on the financial condition and results of operations about the City's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements of the City are prepared in accordance with generally accepted accounting principles (GAAP).

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net assets and the operating statements present increase (revenues) and decrease (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liability is incurred. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation-(continued)

The revenues susceptible to accrual are franchise fees, licenses, charges for service, and intergovernmental revenues. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

E. Fund Types and Major Funds

Governmental Funds

The City reports the following major governmental funds:

- *General Fund* – reports the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.
- *General Capital Improvements Fund*- This fund is used to account for all construction projects not accounted in enterprise funds.
- *Pharr Economic Development Corporation, Inc.*– is a nonprofit industrial development corporation organized for the purpose of promoting, assisting and enhancing economic development activities for the City. Although this fund does not meet the size criteria for major fund categorization, the City is including it as a major fund because it is believed that this fund is particularly important to financial statement users due to of public interest.

Proprietary Funds

The City reports the following major enterprise funds:

- *Utility Fund* – accounts for the provision of water and sewer services to the residents of the City.
- *Event Center*-accounts for event venue to host concerts to attract tourism to the City of Pharr
- *Bridge Fund* – accounts for the operating function of the City's international bridge with Mexico.
- *Golf Fund*-accounts for the operating function of the golf course including golf event hall, greens, pro-shop and concessions.
-

Other Fund Types

Additionally, the City reports internal service funds which are used to account for the financing of goods or services provided by one department to other departments within the City on a cost-reimbursement basis. These services include fleet management. These are proprietary funds that are reported with governmental activities in the government-wide financial statements because most of the activity is for governmental activities. Direct expenses are not eliminated from the various functional categories, whereas indirect expenses are. Reimbursements are treated as a reduction of expenses.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

F. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position or Equity

1. Cash and Investments

Cash of all funds, including restricted cash, are pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month end. An individual fund's pooled cash are available upon demand and are "cash equivalents" when preparing these financial statements. All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

2. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Taxable property includes real property and certain personal property situated in the City. Certain properties of religious, educational and charitable organizations, including the federal government and the State of Texas, are exempt from taxation. Additionally, there are other exemptions in arriving at the total assessed valuation of taxable property.

The valuations are subject to County-wide revaluation every three years. The effective tax rate is based upon the previous year's total assessed valuation.

Allowances for uncollectible tax receivables within the General and Debt Service funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and included as part of the allowance for uncollectible; except for tax receivables over 20 years, the City is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. The City does not write off tax receivable greater than 20 years.

3. Inventories

The inventories are recorded at cost and are accounted for by the consumption method.

4. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectible. The three main receivables that contain allowances are for property taxes, utility accounts, and warrants. For these categories the allowance was based on historical collection rates, the allowances are 2% for property taxes as well as for utility accounts, and 20% for warrants. As of February 2017, the City recommended doing 100% allowance for warrants older than 10 years.

5. Transactions between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

6. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

F. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position or Equity-(continued)

Assets capitalized have an original cost of \$5,000 or more and over three years of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	50 Years
Infrastructure	30 Years
Improvements	20 Years
Water and Sewer System	30-50 Years
Machinery and Equipment	3-15 Years

7. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consist of unpaid, accumulated annual and sick leave balances. The City's policy allows employees to accumulate unused sick leave and extra compensation time on an unlimited basis and vacation leave based on the number of years of full-time employment with the City in accordance with the following chart:

Years of Employment	Pro-Rata Accrual Rate per Month
0-19 Years	10 hours (15 days per year)
20 & Over	13.33 hours (20 days per year)

Nonexempt employees may accumulate no more than a maximum of two years allotment of vacation leave as set above, except for civil service nonexempt employees, which can accumulate more than the maximum. Exempt employees can also accumulate more than the maximum. Sick leave may be accrued but will not be paid out to employees that leave before retirement.

8. Long-Term Obligations

In the government-wide, proprietary and component unit financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method as the amount is immaterial against the effective interest method. Gain or loss on refunding are not netted against the liability but recorded in as deferred outflow/inflow of resources. Issuance cost is recorded as an expense for the period incurred and is no longer amortized over the life of the bond after implementing GASB Statement No. 65 and Statement No. 63. In the fund financial statements, long-term liabilities are not recorded in the governmental funds as the payment of the obligations will not be made by current financial resources. The governmental fund financial statements recognize the proceeds of debt as other financing resources.

9. Restricted Assets

The proceeds and required reserves of debt issuances are recorded as restricted assets as they are restricted for debt service and/or capital projects, payments and/or purchases.

10. Net Position / Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available or are legally restricted by outside parties for use for a specific purpose.

11. Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires the use of estimates by management. All estimates are made utilizing a conservative philosophy for both revenues and expenditures.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

F. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position or Equity-(continued)

12. General Fund's Fund Balance Policy

The City has adopted GASB 54 through a resolution as part of its fiscal year ending September 30, 2011. Implementation of GASB 54 is required of all cities for the fiscal year ending in 2011. The intention of the GASB is to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the City's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources. GASB 54 provides for two major types of fund balances which are non-spendable and spendable.

Non-spendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, non-current advances to other funds that not expected to be collected in the next fiscal year, and the principal (corpus) of an endowment fund. The City has inventories that are considered non-spendable, an encumbrance, and a non-current advance to the PEDC II. The City does not have any prepaid items or non-spendable funds related to an endowment.

In addition to non-spendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

-Restricted: Fund balances that are constrained by external parties, constitutional provisions, or enabling legislation. All the City's restricted funds are from Special Revenue Funds, whose funds are revenues legally restricted to expenditures for a particular purpose.

-Committed: Fund balances that contain self-imposed constraints of the government from its highest level of decision-making authority. The responsibility to commit funds rests with the elected City Commissioners and Mayor through an approved resolution. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. The City formally approved the recording of its self-named "Contingency" fund balance as committed. The Contingency fund balance policy is as follows:

The City shall strive to maintain the General Fund (not the combined reporting General Fund which consists of the Payroll, Contingency, and the General funds) committed fund balance at 90 days (25%) of the current year's original budget appropriation for operations and maintenance, which is defined as the total budget less capital outlay purchase, debt service, annual economic incentives, and the annual transfer from the General Fund to the other funds (Charter mandated contingency funding will not take place so long as the contingency fund is fully funded). This amount changes slightly from year to year; for this fiscal year, the General Fund committed balance was fully funded at the end of September 30, 2018.

These funds shall be used only for emergencies, non-recurring expenditures, or major capital purchases that cannot be accommodated through current year savings. The use of these funds will be approved by the City Commission. Use of these funds will be disclosed to the City Commission. If the required amount goes below the stated policy amount, the City will set aside enough portion of the upcoming fiscal year's budget to meet the required reserve amount. Any surpluses realized at year end shall be used first to meet reserve policies, then capital replacement purposes, then retirement/extinguishing of debt.

-Assigned: Fund balances that contain self-imposed constraints of the government to be used for a purpose. The responsibility to assign funds rests with the City Manager. The only funds assigned relate to the accumulation of funds for future capital projects.

-Unassigned: Fund balance of the general fund that is not constrained for any purpose. This is also where negative amounts from the other categories of fund balance are recognized.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

F. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position or Equity-(continued)

12. General Fund's Fund Balance Policy-(continued)

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the City typically first applies restricted resources, as appropriate opportunities arise, but reserves the right to selectively defer the use thereof to a future project or replacement equipment acquisition. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of assigned, then unassigned, and finally committed funds.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Data

1. Budget Policy and Practice

The City follows the procedures outlined below in establishing budgetary data reflected in the financial statements:

Annual budgets are legally adopted for all City funds with revenue and expense/expenditure activity. The City Charter states that between sixty (60) and ninety (90) days prior to the end of the fiscal year, the City Manager is required to submit to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes the proposed expenditures/expenses and the proposed method to finance them.

Dates for public hearings, the purpose of which are to obtain taxpayers' comments, are set by the Board of Commissioners at the time the budget is submitted to that body. The Board of Commissioners may add to, subtract from or change appropriations, but may not change the form of the proposed budget.

Any changes must be within the revenue and reserves estimated as available by the City Manager. Prior to September 25 of each year, the budget is legally enacted through the passage of an ordinance.

The appropriated budget is prepared by fund, function, and department. The City's department heads may make transfers of appropriations between/within a department in the same fund with the City Manager's approval. Transfers of appropriations between funds require the approval of the Board of Commissioners. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

At any time during the fiscal year, the City Manager can reallocate expenditures within a fund without the approval of the Board of Commissioners. However, any revisions to the budget which increase the total budgeted expenditures/expenses within any fund must be approved by the Board of Commissioners.

As of September 30, 2018, the City of Pharr Commissioners approved four (4) Budget Amendments with a net effect of \$1,496,100 in expenditures over revenues which was available with cash on hand.

B. Excess of General Fund Expenditures over Appropriations

Health and Welfare were over by \$18, 212 due to some accruals and Principal Debt Service was over by \$53, 406 due to overpayment to reduce principal of leases.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - (continued)

C. Budget Basis of Accounting

The City prepares its annual budget on a basis (budget basis), which slightly differs from generally accepted accounting principles (GAAP Basis). The budget and all transactions are presented in accordance with the City's method (budget basis) in the Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund to provide a meaningful comparison of actual results with the budget. The major differences between budget and GAAP basis are debt service transactions, capital outlay purchases, and the recording of bond/loan proceeds.

D. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures", violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

<u>Violation</u>	<u>Action Taken</u>
None	Not applicable

E. Deficit Fund Equity/Net Position

The new added discretely component unit PHFC- Jackson Place Apartments shows a deficit in net position due to the nature of the project being in progress; this amount will eventually begin to capitalize and show a positive net position.

F. Prior Period Adjustment

Prior period adjustments (PPA) were needed in several funds to properly state the correct financial position of the City. The PPA amounts and the reason are as follows:

<u>Purpose of Prior Period Adjustment</u>	<u>Amount</u>	<u>Total</u>
Governmental Funds:		
<u>General Fund:</u>		
To adjust prior year payables	\$ (67,895)	
To adjust prior year payroll liabilities	188,012	
To correct prior year receivables	<u>27,789</u>	
		<u>\$ 147,906</u>
<u>General CIP:</u>		
To correct prior year receivables	<u>(132,139)</u>	
		<u>(132,139)</u>
<u>PEDC:</u>		
To correct prior year receivables	<u>36,632</u>	
		<u>36,632</u>
<u>Other Funds:</u>		
To correct prior year receivables	<u>1,642</u>	
		<u>1,642</u>
Total Governmental Fund Adjustment		<u>54,041</u>
 Government-Wide Adjustments		
To adjust Prior Year OPEB Liabilities	(238,013)	
To adjust Prior Year OPEB Deferred Outflow	<u>82,128</u>	
		<u>\$ (155,885)</u>
Total Prior Period Adjustment		<u>(101,844)</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - (continued)

F. Prior Period Adjustment-(continued)

<u>Purpose of Prior Period Adjustment</u>	<u>Amount</u>	<u>Total</u>
Proprietary Funds:		
<u>Enterprise Fund: Utility Fund:</u>		
To adjust prior year unearned revenue	<u>\$ 134,776</u>	<u>\$ 134,776</u>
<u>Enterprise Fund: Event Center Fund:</u>		
To adjust prior year receivable	<u>(4,860)</u>	<u>(4,860)</u>
<u>Enterprise Fund: Bridge Fund</u>		
To adjust prior year receivable	\$ 104,968	<u>\$ 104,968</u>
Total Proprietary Fund Adjustment		<u><u>\$ 234,884</u></u>

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

A. Deposits and Investments

1. Deposits

City's funds are required to be deposited and invested under the terms of a depository contract and investment policy pursuant to state statute. The depository bank deposits for safekeeping and trust with its agent approved pledged securities authorized by Chapter 2257 Collateral for Public Funds of the Government Code in an amount sufficient to protect City funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

At September 30, 2018, the carrying amount of all the City's deposits was \$63,209,826 (Bank Balance). The City has one depository account: Lone Star National Bank (LSNB).

<u>LSNB Depository Account-City of Pharr</u>	<u>Balance September 30, 2018</u>
Insured	\$ 250,000
Security collateral issued by pledging bank's trust department in the City's name	67,235,000
(Over-insured)/over-collateralized	<u>(4,275,174)</u>
Total Deposits	<u><u>\$ 63,209,826</u></u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS-(continued)

A. Deposits and Investments-(continued)

1. Deposits -(continued)

	Balance
<u>LSNB Depository Account-PEDC</u>	<u>September 30, 2018</u>
Insured	\$ 250,000
Security collateral issued by pledging bank's trust department in the City's name	2,831,134
(Over-insured)/over-collateralized	(525,352)
Total Deposits	<u>\$ 2,555,782</u>

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City has a policy of maintaining contact with the trust department of its depository agency to eliminate all custodial credit risk. As of September 30, 2018, the City's bank balance was not exposed to custodial credit risk and was over-insured and over-collateralized.

In addition, the following is disclosed regarding coverage of combined balances on the date of the highest deposit:

- a. Depository: **LSNB**
- b. The market value of securities pledged as of the date of the highest combined balance on deposit was \$93,055,000
- c. The highest combined balances of cash accounts amounted to \$110,385,933 and occurred during **December 2017**
- d. The total amount of FDIC coverage at the time of the largest combined balance was \$250,000 during September 2018

Restricted cash is defined as the cash balances restricted by the funder for a specific purpose. Cash with fiscal agents of \$3,779,307 on September 30, 2018, was covered by collateral held in the fiscal agents' trust departments, but not in the City's name. The trust department pledges a pool of collateral against all trust deposits it holds. U.S. Bancorp is the fiscal agent for the City.

2. Investments

The City is required by Government Code Chapter 2256, The Public Funds Investment Act ("Act"), to adopt, implement, and publicize an investment policy. That policy must be written, primarily emphasize safety of principal and liquidity, address investment diversification, yield, and maturity and the quality and capability of investment management and include a list of the types of authorized investments in which the investing entity's funds may be invested, and the maximum allowable stated maturity of any individual investment owned by the entity.

The Act requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the general purposes financial statements disclosed that in the areas of investment practices, management reports and establish appropriate policies. The City adheres to the requirements of the Act. Additionally, investment practices of the City are in accordance with local policies.

Due to the extremely low interest rates, the City had not engaged in any investments other than savings accounts in LSNB before FY 2015-2017, however due the expiration of contract and change in rates, City started to diversify and invested a certain portion of its Contingency cash balance set aside into TexPool and CD's in Lone Star National Bank.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS- (continued)

2. Investments – (continued)

Analysis of Specific Deposit and Investment Risks:

GASB Statement No. 40 requires a determination as to whether the City was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

- a. **Interest Rate Risk**
This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the City was not exposed to interest rate risk. The City's investment policy states that no investment shall exceed 24 months in maturity. By limiting the exposure of its investments, the City reduces its risk to the rising or decreasing interest rates.
- b. **Credit Risk**
Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized agencies are designed to give an indication of credit risk. At year end, the City was not exposed to credit risk.
- c. **Custodial Credit Risk**
Deposits and investments are exposed to custodial credit risk if they are not covered by depository insurance and the deposits and investments are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name. At year end, the City was not exposed to custodial credit risk. See Note III A.1 for more information on this risk.
- d. **Concentration of Credit Risk**
This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the City was exposed to concentration of credit risk, but highly collateralized. With the City's investment policy, diversification is stressed.

The City followed its diversification investment guidelines. At the beginning of year, all deposits were placed into LSNB due to previous depository agreement given a rate of return of 2%, now with a renewed agreement, rates are lower, and diversification is even needed more. The City invested in TexPool a portion of its contingency fund as of May 2016 of last year and has accrued interest since then.
- e. **Foreign Currency Risk**
This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the City was not exposed to foreign currency risk.

The City of Pharr Investment activity as of September 30, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Market Value</u>
Texpool Investments	\$ 3,950,591	\$ -	\$ -	\$ 4,011,678	\$ 4,011,678
LSNB-CD	-	300,000	-	300,000	300,000
Total	<u>\$ 3,950,591</u>	<u>\$ 300,000</u>	<u>\$ -</u>	<u>\$ 4,311,678</u>	<u>\$ 4,311,678</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS- (continued)

2. Investments – (continued)

GASB No. 79 requires additional note disclosure requirements for qualifying external investment pools that measure all their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Texpool revised its Investment Policy to comply with GASB No. 79 as of August 2017 which includes the use of amortized cost to value portfolio assets and the following guidelines to maintain the portfolio consistent with a stable net asset value per share:

- The maximum remaining maturity of any security of other investment acquired for the portfolio shall be 397 calendar days or less.
- The portfolio should maintain a weighted average maturity of 60 days or less
- The portfolio should maintain a weighted average life of 120 days or less

B. Receivables

Receivables for the City at September 30, 2018, were as follows:

	Governmental Activities			Business-Type Activities			
	General	Other	Total	Utility	Event Center	Bridge & Golf	Total
Property taxes	\$ 2,240,988	\$ 307,188	\$ 2,548,176	\$ -	\$ -	\$ -	\$ -
Warrants	12,664,433	-	12,664,433	-	-	-	-
Sales Tax	2,502,816	834,272	3,337,088	-	-	-	-
Notes	-	2,144,564	2,144,564	-	-	-	-
Accounts	947,802	146,080	1,093,882	2,786,307	-	125,770	2,912,077
Intergovernmental	-	399,539	399,539	-	-	-	-
Franchise taxes	460,727	-	460,727	-	-	-	-
Component Units	5,685,280	-	5,685,280	-	-	-	-
Other	390,217	707,071	1,097,288	1,432	232,916	-	234,348
Gross receivables	24,892,263	4,538,714	29,430,977	2,787,739	232,916	125,770	3,146,425
Less; allowance for uncollectible	(5,687,140)	(68,457)	(5,755,597)	(79,264)	-	-	(79,264)
Net total receivable	\$ 19,205,123	\$4,470,257	\$ 23,675,380	\$ 2,708,475	\$ 232,916	\$ 125,770	\$ 3,067,161

B-1. Notes Receivable

Notes Receivables for the Pharr Economic Development Corporation at September 30, 2018, were as follows:

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

B-1. Notes Receivable —(continued)

Note	Outstanding Balance As of 10/1/2017	Increases	Decreases	Outstanding Balance As of 9/30/2018
Reyes Garza, 05/13/2012, for the amount of \$27,021.68 at an interest rate of 6.00% with maturity on April 13, 2027.	\$ 20,137	\$ -	\$ 1,719	\$ 18,418
Moonbeans Coffee, 04/01/15, for the amount of \$117,122.99 at an interest rate of 4.00% with maturity on August 01, 2019.	96,388	-	3,498	92,889
Stormy Colors, 07/01/2015, for the amount of \$40,000 at an interest rate of 5.00% with maturity on 08/01/2017	40,000	-	-	40,000
Irma's Sweete Shoppe, 02/01/16, for the amount of \$100,000 at an interest rate of 3.00% with maturity on January 01, 2021.	93,761	-	3,239	90,522
Irma's Sweete Shoppe II, 04/16/2017, for the amount of \$50,000 at an interest rate of 3.00% with maturity on April 6, 2022.	49,235	-	1,560	47,675
American Star, 03/22/2016, for the amount of \$15,000 at an interest rate of 5.00% with maturity on April 01, 2020.	10,026	-	3,411	6,616
Pharr Bridge Investment, 02/11/2016, for the amount of \$900,000 at an interest rate of 4.00% with maturity on March 28, 2021	401,410	-	101,059	300,351
Aprl Investments, 06/20/2016, for the amount of \$700,000 at an interest rate of 5.00% with maturity on June 20, 2021	635,151	-	58,670	576,481
Mayan Capital, 10/31/2016, for the amount of \$185,000 at an interest rate of 6.00% with maturity on March 01, 2020.	136,898	-	55,759	81,139
Rositas Taste of the Valley, 02/06/2017, for the amount of \$62,0000 at an interest rate of 5% with maturity on February 06, 2022.	55,538	-	10,542	44,996
Maria Herrera DBA Comala, 05/15/2017, for the amount of \$20,000 at an interest rate of 5.00% with maturity on May 15, 2022.	18,954	-	2,941	16,013
Trancasa, 02/15/18, for the amount of \$600,000 at an interest rate of 6.00% with maturity on March 15, 2026.	600,000	-	-	600,000
Big River Brewery, 05/27/2018, for the amount of \$180,000 at an interest rate of 6.00% with maturity on April 27, 2021.	180,000	-	5,762	174,238
Totals	<u>\$ 2,337,497</u>	<u>\$ -</u>	<u>\$ 248,159</u>	<u>\$ 2,089,338</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

C. Payables

Payables for the City at September 30, 2018, were as follows:

	Governmental Activities	Business-Type Activities					
	Governmental	Utility	Event Center	Bridge	Golf	Business- Type Total	Total
Vendors	\$ 2,928,628	\$ 886,542	\$ 50,569	\$ 938,054	\$ 41,840	\$ 1,917,005	\$ 4,845,633
Salaries & benefits	1,331,252	-	-	-	-	-	1,331,252
Retainage fees	252,174	124,020	-	-	-	124,020	376,194
Accrued interest	158,757	115,661	-	31,683	-	147,344	306,101
Intergovernmental	593,201	-	-	-	-	-	593,201
Contingent Liability	300,000	-	-	-	-	-	300,000
Total payables	<u>\$ 5,564,011</u>	<u>\$ 1,126,222</u>	<u>\$ 50,569</u>	<u>\$ 969,737</u>	<u>\$ 41,840</u>	<u>\$ 2,188,369</u>	<u>\$ 7,752,380</u>

D. Escrows

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned.

At the end of the current fiscal year, the various components of unearned revenue were mainly Escrow Liability Accounts which are comprised of the following:

	<u>As of September 30, 2018</u>
Water and Sewer	\$ 189,885
Police	347,384
Media	46,273
Court	247,026
Fire	107,957
Public Works	88,922
Recreation	72,068
Subdivisions and Improvements	1,117,158
Construction	335,117
Other	87,912
Total Escrows	<u>\$ 2,639,702</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

E. Interfund Balances

The City reports interfund balances between many of its funds. The total of all balances agrees with the sum of interfund balances presented in the statements of net assets/balance sheets for governmental and enterprise funds. The interfund balances are operational and short-term in nature. Interfund balances at September 30, 2018 consisted of the following:

General Fund		PURPOSE
DUE FROM:		
PEDC	\$ 288,225	To advance funds for Economic Development projects and payroll
Assets Sharing	85,466	To advance funds for expenditures
City Garage	19,988	To advance funds for expenditures
CDBG	174,884	To advance funds for expenditures
Grant Fund	233,149	To advance funds for expenditures
CIP	1,213,019	To advance funds for expenditures
	2,014,731	
Enterprise Funds:		
Event Center	4,753	To advance funds for payroll expenditures
Bridge	12,152	To advance funds for payroll expenditures
Golf	3,469	To advance funds for payroll expenditures
	35,553	
Total GF	2,050,284	
General Capital Improvements		PURPOSE
Grants	140,744	To advance funds for capital expenditure
Total GCIP	140,744	
Grand Total	\$ 2,191,028	

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

F. Capital Assets

Capital asset activity for the year ended September 30, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>Ending Balance</u>
Primary Government					
Governmental Activities:					
<i>Capital assets, not being depreciated:</i>					
Land and right of way	\$ 7,957,449	\$ 4,518,823	\$ -	\$ -	\$ 12,476,272
Construction in Progress	16,702,845	13,415,811	4,894,768	-	25,223,888
Total capital assets, not being depreciated	24,660,294	17,934,634	4,894,768	-	37,700,160
<i>Capital assets, being depreciated:</i>					
Buildings	36,274,794	4,726,943	-	-	41,001,737
Machinery and equipment	25,732,092	2,734,766	-	-	28,466,858
Improvements other than buildings	11,365,793	167,827	-	-	11,533,620
Infrastructure	84,552,548	2,169,525	-	-	86,722,073
Total capital assets, being depreciated	157,925,227	9,799,061	-	-	167,724,288
Less accumulated depreciation for:					
Buildings	12,577,769	829,674	-	-	13,407,443
Machinery and equipment	18,522,788	2,062,722	-	-	20,585,510
Improvements other than buildings	3,880,140	451,764	-	-	4,331,904
Infrastructure	52,984,974	634,687	-	-	53,619,661
Total accumulated depreciation	87,965,671	3,978,847	-	-	91,944,518
Total capital assets, being depreciated, net	69,959,556	5,820,214	-	-	75,779,770
	<u>\$ 94,619,850</u>	<u>\$ 23,754,848</u>	<u>\$ 4,894,768</u>	<u>\$ -</u>	<u>\$ 113,479,930</u>
Component Unit-Blended PEDC					
<i>Capital assets, not being depreciated:</i>					
Land and right of way	\$ 369,154	\$ 4,488,952	\$ -	\$ -	\$ 4,858,106
Total capital assets, not being depreciated	369,154	4,488,952	-	-	4,858,106
<i>Capital assets, being depreciated:</i>					
Buildings	747,170	-	-	-	747,170
Improvement other than buildings	831,713	53,510	-	(11,556)	873,667
Machinery and equipment	144,340	-	-	-	144,340
Total capital assets, being depreciated	1,723,223	53,510	-	(11,556)	1,765,177
Less Accumulated Depreciation					
Buildings	377,757	28,089	-	-	405,846
Improvement other than buildings	218,156	56,256	-	-	274,412
Machinery and equipment	114,370	10,283	-	-	124,653
Total Accumulated Depreciation	710,283	94,628	-	-	804,911
Total Capital assets, being depreciated, net	1,012,940	(41,118)	-	(11,556)	960,266
Governmental activities capital assets, net	<u>\$ 1,382,094</u>	<u>\$ 4,447,834</u>	<u>\$ -</u>	<u>\$ (11,556)</u>	<u>\$ 5,818,372</u>
	<u>\$ 96,001,944</u>	<u>\$ 28,202,682</u>	<u>\$ 4,894,768</u>	<u>\$ (11,556)</u>	<u>\$ 119,298,302</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

Business-Type Activities:	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
<i>Capital assets, not being depreciated:</i>					
Water Rights	\$ 3,450,000	\$ -	\$ -	\$ -	\$ 3,450,000
Land and right of way	3,441,248	-	22,800	-	3,418,448
Construction in Progress	12,691,154	5,399,608	11,364,129	(17,317)	6,709,316
Total capital assets, not being depreciated	19,582,402	5,399,608	11,386,929	(17,317)	13,577,764
<i>Capital assets, being depreciated:</i>					
Buildings	32,502,500	-	-	-	32,502,500
Machinery and equipment	15,500,498	2,981,934	-	2,777	18,485,209
Improvements other than buildings	6,060,204	56,590	-	-	6,116,794
Infrastructure	138,367,627	14,139,992	-	(96,503)	152,411,116
Total capital assets, being depreciated	192,430,829	17,178,516	-	(93,726)	209,515,619
Less accumulated depreciation for:					
Buildings	16,850,684	726,596	-	-	17,577,280
Machinery and equipment	13,158,889	452,998	-	(9,678)	13,602,209
Improvements other than buildings	2,941,378	314,034	-	-	3,255,412
Infrastructure	38,974,834	4,200,839	-	12,453	43,188,126
Total accumulated depreciation	71,925,785	5,694,467	-	2,775	77,623,027
Total capital assets, being depreciated, net	120,505,044	11,484,049	-	(96,501)	131,892,592
Business-Type activities capital assets, net	140,087,446	16,883,657	11,386,929	(113,818)	145,470,356
Total Primary Government	\$ 234,707,296	\$ 40,638,505	\$ 16,281,697	\$ (113,818)	\$ 258,950,286
Component Unit-Discrete PHFC					
<i>PHFC Capital assets, not being depreciated:</i>					
Land and right of way	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 1,500,000
Construction in progress	23,241,816	3,260,742	-	-	-
Total capital assets, not being depreciated	24,741,816	3,260,742	-	-	1,500,000
<i>PHFC Capital assets, being depreciated:</i>					
Buildings	-	-	-	-	26,502,558
Improvement other than buildings	-	-	-	-	-
Machinery and equipment	136,732	16,951	-	-	153,683
Total capital assets, being depreciated	136,732	16,951	-	-	26,656,241
Less Accumulated Depreciation					
Buildings	-	-	-	-	-
Improvement other than buildings	-	-	-	-	-
Machinery and equipment	-	15,515	-	6,911	22,426
Total Accumulated Depreciation	-	15,515	-	6,911	22,426
Total Capital assets, being depreciated, net	136,732	1,436	-	(6,911)	131,257
Component Unit-Discrete capital assets, net	26,260,642	7,725,527	-	(11,556)	33,974,613
City-Wide capital assets, net	\$ 260,967,938	\$ 48,364,032	\$ 16,281,697	\$ (125,374)	\$ 292,924,899

Depreciation expense was charged to functions of the primary government as follows:

Governmental Activities

General Government	\$ 690,466
Public Safety	1,590,057
Highway & Streets	933,956
Sanitation	162,437
Culture & Recreation	531,944
Economic Development	164,615
Total Governmental Activities	<u>\$ 4,073,475</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations

The following schedule summarizes the changes in long-term debt during the year ended September 30, 2018:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Governmental Activities					
Refunding Bonds Payable	\$ 5,795,000	\$ -	\$ 1,710,000	\$ 4,085,000	\$ 1,295,000
Certificates of Obligation	19,345,000	17,240,000	3,150,000	33,435,000	870,000
Unamortized Premium/(Discount)	1,092,001	2,297,189	281,057	3,108,133	281,057
Capital Leases	6,544,924	2,438,700	1,614,503	7,369,121	1,663,511
Capital Leases-Garage	26,050	-	-	26,050	7,656
CDBG Section 108 Note Payable	4,130,000	-	295,000	3,835,000	295,000
Tax Notes Series 2017	-	7,300,000	689,391	6,610,609	943,717
LSNB Note Payable-City	10,010,083	2,841,028	4,595,484	8,255,627	857,386
Other Post Employment Benefits*	948,524	174,604	-	1,123,128	-
Accrued Compensated Absences-PEDC	72,250	72,795	52,395	92,650	23,162
Accrued Compensated Absences	5,364,534	2,640,710	3,094,266	4,910,978	1,227,745
Accrued Compensated Absences -Garage	46,447	-	-	46,447	11,612
Net Pension Liability-GASB 68	11,299,027	-	4,539,470	6,759,557	-
Total Governmental Activities	<u>64,673,840</u>	<u>35,005,026</u>	<u>20,021,566</u>	<u>79,657,300</u>	<u>7,475,846</u>

* Prior Period Adjusted

Deferred Outflow/Inflow of Resources

Unamortized Gain/(loss) on Refunding	(195,120)	-	(48,780)	(146,340)	(48,780)
	<u>(195,120)</u>	<u>-</u>	<u>(48,780)</u>	<u>(146,340)</u>	<u>(48,780)</u>

Business-Type

Revenue Bonds Payable	24,680,000	-	1,663,000	23,017,000	1,699,000
Refunding Revenue Bonds Payable	19,980,000	-	1,900,000	18,080,000	2,010,000
Unamortized Premium/(Discount)	3,738,223	-	430,521	3,307,702	430,521
Capital Leases	1,894,520	2,628,100	690,775	3,831,845	767,990
Accrued Compensated Absences	1,088,487	487,767	841,570	734,684	183,671
Total Business-Type Activities	<u>51,381,230</u>	<u>3,115,867</u>	<u>5,525,866</u>	<u>48,971,231</u>	<u>5,091,182</u>

Deferred Outflow/Inflow of Resources

Unamortized Gain/(loss) on Refunding	(335,730)	65,863	-	(269,867)	(65,863)
	<u>(335,730)</u>	<u>65,863</u>	<u>-</u>	<u>(269,867)</u>	<u>(65,863)</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

Long-term bonded and revenue supported obligations outstanding at September 30, 2018 is comprised of the following:

	Original		Series	Type	Name	Payment Installments	Installments		Interest Rates		Payment Through	Current Balance
	Issuance						Lowest	Highest	Lowest	Highest		
Governmental Activities	\$	9,120,000	2015B	Refunding Bonds	GO	Annual	\$ 905,000	\$ 1,535,000	3.75%	5.00%	8/15/2021	\$ 4,085,000
	Subtotal-Refunding Bonds											\$ 4,085,000
	\$	7,625,000	2012	Certificate of Obligation	CO	Annual	\$ 295,000	\$ 535,000	0.60%	4.98%	8/15/2032	\$ 4,735,000
	\$	14,290,000	2016	Certificate of Obligation	CO	Annual	\$ 190,000	\$ 1,035,000	1.13%	3.60%	2/15/2036	\$ 14,100,000
	\$	17,240,000	2017	Certificate of Obligation	CO	Annual	\$ 355,000	\$ 2,640,000	1.45%	2.79%	8/15/2031	\$ 14,600,000
	Subtotal-Certificate of Obligation											\$ 33,435,000
	\$	7,300,000	2017	Tax Notes	TN	Monthly	\$ 941,000	\$ 1,167,000	4.25%	4.25%	12/1/2024	\$ 6,608,757
	Subtotal-Tax Notes											\$ 6,608,757
	\$	5,600,000	2017	HUD Section 108 Loan	HUD 108	Annual	\$ 294,000	\$ 295,000	1.28%	1.73%	8/15/2031	\$ 3,835,000
	Subtotal-Section 108 Laon											\$ 3,835,000
Governmental Total											\$ 47,963,757	
Governmental Total											\$ 47,963,757	
Business-Type Activities	\$	13,310,000	2007A	Revenue Bonds-DWSFR	WW & SS	Annual	\$ 380,000	\$ 1,075,000	2.35%	3.50%	9/1/2027	\$ 8,660,000
	\$	10,000,000	2007B	Revenue Bonds-NADBANK	WW & SS	Annual	\$ 385,000	\$ 685,000	3.75%	3.75%	9/1/2027	\$ 5,360,000
	\$	8,725,000	2013	Revenue Bonds-DWSFR	WW & SS	Annual	\$ 255,000	\$ 400,000	0.00%	2.71%	91/1/2042	\$ 7,450,000
	\$	1,762,000	2015	Revenue Bonds-DWSFR	WW & SS	Annual	\$ 72,000	\$ 117,000	0.59%	4.10%	9/1/2035	\$ 1,547,000
	Subtotal-Revenue Bonds											\$ 23,017,000
	\$	9,755,000	2005A	Refunding Bonds	CT & IBR	Annual	\$ 510,000	\$ 740,000	3.63%	4.50%	8/15/2022	\$ 2,640,000
	\$	18,000,000	2017	Refunding Bonds	WW & SS	Annual	\$ 1,220,000	\$ 2,160,000	3.29%	3.62%	8/15/2028	\$ 15,440,000
	\$	6,430,000	2008	Refunding Bonds	WW & SS	Annual	\$ 75,000	\$ 815,000	3.60%	3.60%	9/1/2018	\$ -
	Subtotal-Refunding Bonds											\$ 18,080,000
	Business-Type Total											\$ 41,097,000

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

1. Bonds Payable

Debt service requirements of bonds payable at September 30, 2018 are as follows:

Year Ended September 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 2,165,000	\$ 2,858,616	\$ 5,023,616	\$ 3,709,000	\$ 1,387,034	\$ 5,096,034
2020	2,250,000	2,776,955	5,026,955	3,805,000	1,301,070	5,106,070
2021	2,330,000	2,638,595	4,968,595	3,931,000	1,166,511	5,097,511
2022	1,500,000	2,550,508	4,050,508	4,078,000	1,032,444	5,110,444
2023	1,720,000	2,443,312	4,163,312	3,485,000	898,969	4,383,969
2024-2029	9,615,000	9,802,292	19,417,292	16,564,000	2,267,235	18,831,235
2030-2035	10,220,000	5,355,323	15,575,323	2,035,000	534,429	2,569,429
2036-2041	7,720,000	940,500	8,660,500	3,490,000	447,363	3,937,363
	<u>\$ 37,520,000</u>	<u>\$ 29,366,101</u>	<u>\$ 66,886,101</u>	<u>\$ 41,097,000</u>	<u>\$ 9,035,054</u>	<u>\$ 50,132,054</u>

2. Certificates of Obligation Payable

Debt service requirements of certificates of obligation payable at September 30, 2018 are as follows:

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Total
2019	\$ 870,000	\$ 1,413,163	\$ 3,578,451
2020	890,000	1,385,203	3,546,561
2021	900,000	1,355,422	3,501,790
2022	1,500,000	1,322,244	4,040,823
2023	1,720,000	1,278,658	4,179,544
2024-2029	9,615,000	5,335,321	20,242,493
2030-2035	10,220,000	3,115,034	13,335,034
2036-2041	7,720,000	818,025	8,538,025
	<u>\$ 33,435,000</u>	<u>\$ 16,023,070</u>	<u>\$ 60,962,720</u>

3. Tax Notes Payable

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Total
2019	\$ 941,865	\$ 266,251	\$ 1,255,932
2020	982,627	225,490	1,245,354
2021	1,026,449	181,667	1,233,907
2022	1,071,563	136,553	1,233,907
2023	1,118,660	89,456	1,221,438
2024	1,167,708	40,408	2,026,141
2025	301,737	2,150	303,887
	<u>\$ 6,610,609</u>	<u>\$ 941,975</u>	<u>\$ 8,520,565</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

4. Notes Payable

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Total
2019	\$ 1,152,386	\$ 446,372	\$ 1,598,758
2020	4,248,248	347,708	4,595,956
2021	1,219,056	301,652	1,520,708
2022	2,815,937	91,627	2,907,564
2023	295,000	83,662	378,662
2024-2029	1,475,000	286,445	1,761,445
2030-2035	885,000	60,062	945,062
	<u>\$ 12,090,627</u>	<u>\$ 1,617,528</u>	<u>\$ 13,708,155</u>

5. Capital Leases Payable

Assets purchased with the lease funds are included in the City's capital assets and depreciation expense. Debt service requirements of capital leases obligations at September 30, 2018 are as follows:

Year Ended September 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 1,671,167	\$ 188,233	\$ 1,859,400	\$ 775,781	\$ 87,398	\$ 863,179
2020	1,511,355	150,253	1,661,608	793,957	69,222	863,179
2021	1,141,143	115,720	1,256,863	807,180	50,632	857,812
2022	810,639	89,869	900,508	563,627	32,985	596,612
2023	569,064	69,806	638,870	378,437	21,506	399,943
2024-2027	1,691,803	82,507	1,774,310	512,864	9,881	522,745
	<u>\$ 7,395,171</u>	<u>\$ 696,388</u>	<u>\$ 8,091,559</u>	<u>\$ 3,831,846</u>	<u>\$ 271,624</u>	<u>\$ 4,103,470</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

6. Notes Payable

Long-term notes payable outstanding at September 30, 2018 is comprised of the following:

Name	Payment Installments	Installments		Interest Rates		Payment Through	Current Balance
		Lowest	Highest	Lowest	Highest		
CDBG HUD Section 108	Annual	\$ 294,000	\$ 295,000	0.49%	1.73%	8/1/2031	\$ 3,835,000
					Subtotal-City of Pharr Governmental		\$ 3,835,000
LSNB-Line of Credit	Annual	\$ -	\$ 5,000,000	3.50%	3.50%		\$ 3,046,331
LSNB-Jackson Development	Annual	\$ 669,100	\$ 669,100	4.50%	4.50%	11/15/2019	\$ 5,209,296
						Subtotal-PEDC	\$ 8,255,627
						Governmental Total	<u><u>\$ 12,090,627</u></u>

Debt service requirements of notes payable at September 30, 2018 are as follows:

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Total
2019	\$ 1,152,386	\$ 446,372	\$ 1,598,758
2020	4,248,248	347,708	4,595,956
2021	1,219,055	301,652	1,520,708
2022	2,815,937	91,627	2,907,564
2023	295,000	83,662	378,662
2024-2029	1,475,000	286,445	1,761,445
2030-2035	885,000	60,062	945,062
	<u><u>\$ 12,090,627</u></u>	<u><u>\$ 1,617,528</u></u>	<u><u>\$ 13,708,155</u></u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

7. Debt Disclosure and Currently Defeased Debt

The City has entered into a continuing disclosure undertaking to provide Annual Reports and Material Events Notices to the State Information Depository of Texas, which is the Municipal Advisory Commission. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the City. In 2005, 2008 and 2011 the City defeased certain outstanding general obligation, certificates of obligation, and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments of the old bonds. Accordingly, the trust accounts for the defeased bonds and are not included in the City's financial statements. At September 30, 2018, the following outstanding bonds are considered defeased:

General Obligation Bonds		
Interest rates:	5.00% - 5.53%	
Series	2003	\$ 4,470,000
Waterworks & Sewer System Revenue Bonds		
Interest rates:	4.15% - 6.74%	
Series	1996 through 1998a	1,073,000
Bonds legally defeased		<u><u>\$ 5,543,000</u></u>

8. Accrued Compensated Absences

Accrued compensated absences (vested sick and vacation leave) are payable from the fund responsible for the employee's compensation. As of September 30, 2018, the owning fund of the liability is as follows:

<u>Owning Fund of Liability</u>	<u>Amount</u>
General	\$ 4,914,293
PEDC 4B	92,650
Community Development	8,373
Garage	34,759
Utility	422,603
Event Center	58,927
Bridge	174,981
Golf	78,173
	<u><u>\$ 5,784,759</u></u>

9. Arbitrage

The City has issued long-term debt for capital construction projects. These bonds are subject to the arbitrage regulations. Arbitrage regulations call for the return of the difference in interest revenue against interest expense. At September 30, 2018, there was no liability of arbitrage that would have been owed to the federal government

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

H. Interfund Transfers

The City reports interfund transfers between many of its funds. Interfund transfers for the year ended September 30, 2018, consisted of the following:

	TRANSFER FROM Governmental Funds							
	General	PEDC	Asset Sharing	Hotel/ Motel	Grants	CIP	Paving & Drainage	Total Governmental
General	\$ -	\$ 495,000	\$ 367,000	\$ 60,000	\$ -	\$ -	\$ -	\$ 922,000
Capital Projects	19,389,979	-	-	350,000	477,543	-	850,000	21,067,522
PEDC 4B	1,161,100	-	-	68,400	-	-	-	1,229,500
Community Development	818,572	-	-	-	-	-	-	818,572
Debt Service	626,700	1,202,200	-	-	-	-	-	1,828,900
Total governmental	21,996,351	1,697,200	367,000	478,400	477,543	-	850,000	25,866,494
Event Center	-	-	-	398,600	-	-	-	398,600
Bridge	-	-	-	-	-	520,000	-	520,000
Golf	439,200	-	-	-	-	-	-	439,200
Total enterprise	439,200	-	-	398,600	-	520,000	-	1,357,800
Total	\$ 22,435,551	\$ 1,697,200	\$ 367,000	\$ 877,000	\$ 477,543	\$ 520,000	\$ 850,000	\$ 27,224,294

The reasons for the transfers vary from operational, to reimbursements, to debt service payment supplements. The following details state the exact purpose of the transfers.

The transfers on this page are related to Governmental transactions.

General Fund:

- The Transfer from general fund to capital projects is from Series 2017 Bond proceeds for CIP Projects.
- The Transfer from general fund to PEDC is to pay debt service related to loan with LSNB for the Jackson Development AKA Costco.
- The transfer from General Fund to Community Development is to cover administrative costs not covered by CDBG funds and to cover for unallowable costs found by a compliance audit conducted by HUD during FY 2017.2018.
- The Transfer from General Fund to debt service is to cover for debt service payment of associated with Envirolite city-wide project and to contribute a payment to Series 2012.

PEDC:

- The transfer from PEDC to general fund is to pay for the management administrative fee per inter-local agreement.
- The transfer from PEDC to Debt Service is to cover for Certificates of Obligation 2012 and part of 2015B.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

H. Interfund Transfers - (continued)

Other:

- The transfer from CDBG to capital projects is to reimburse expenses related to Jones Box Park.
- The transfer from Hotel Funds to PEDC is to reimburse for tourism manager position
- The transfer from Hotel Funds to CIP is to cover for a portion of debt service payment for Tax Notes Series 2017.
- The transfer from Hotel Funds to General Fund is to contribute to City Festivals throughout the year.
- The transfer from grants to capital projects is to reimburse expenses for research and development center from EDA grant.

		TRANSFER FROM Enterprise Funds			
		Utility	Bridge	Total Enterprise	Grand Total
TRANSFER TO	General	\$ 565,500	\$ 6,539,200	\$ 7,104,700	\$ 8,026,700
	Capital Projects	-	-	-	21,067,522
	PEDC 4B	-	-	-	1,229,500
	Community Development	-	-	-	818,572
	Debt Service	-	2,698,327	2,698,327	4,527,227
	Total governmental	565,500	9,237,527	9,803,027	35,669,521
	Event Center	-	-	-	398,600
	Bridge	-	-	-	520,000
	Golf	-	-	-	439,200
	Total enterprise	-	-	-	1,357,800
Total		\$ 565,500	\$ 9,237,527	\$ 9,803,027	\$ 37,027,321

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

H. Interfund Transfers - (continued)

Enterprise Funds:

- The transfer from Utility to general fund is to pay annual service fees for administrative services
- The transfer from Bridge to the General Fund is for the following:

Purpose	<u>FY 17/18</u>
GF Operations	\$ 4,438,900
Golf Operations	439,200
Jackson Development Debt	1,161,100
Help Support Tax Debt	2,698,327
Incentives	500,000
Total	\$ 9,237,527

I. Restricted Assets

The balances of restricted asset as of September 30, 2018 are as follows:

Governmental Funds

Capital Outlay	\$ 2,163,114
Capital Improvement Projects	20,157,080
Grant Receivables	<u>399,539</u>
Total restricted assets-governmental funds	22,719,733

Business-Type Funds

Capital financing-Utility	9,613,105
Capital financing-Bridge	1,280,462
Capital financing-Golf	335,731
Customer deposits-Utility	463,853
Debt reserves-Utility	3,203,191
Debt reserves-Bridge	<u>148,659</u>
Total restricted assets-business-type funds	<u>\$ 15,045,001</u>

Total restricted assets **\$ 37,764,734**

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees (workman's compensation), and natural disasters. During the fiscal year, the City obtained general liability coverage at a cost that is economically justifiable by joining together with other governmental entities in the State as a member of the Texas Municipal League Intergovernmental Risk Pool (TML). TML is a self-funded pool operating as a common risk management and insurance program. The City pays an annual premium to TML for its above insurance coverage. The agreement for the formation of TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of acceptable risk levels; however, each category of coverage has its own level of reinsurance. The City continues to carry commercial insurance for other risks of loss. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years. A copy of TML's Comprehensive Annual Report may be obtained by request at the following address:

Texas Municipal League
1821 Rutherford Lane, Suite 400
Austin, TX 78754-5128

1. Health Care Coverage

As of January 2017, the City transitioned from fully funded to self/partially funded. Health provider is now United Health Care with Lone Star Insurance services as an agent of record. The City now funds its claims on a monthly basis through a separate bank account managed through the agent. The City pays for 100% of the employees' insurance cost and 50% of the employee's dependent's insurance cost with the following plans:

Basic Plan

Coverage Type	Monthly Cost to Employee	Monthly Cost to City	Total Monthly Cost
Employee Only	\$ -	\$ 146.12	\$ 146.12
Employee and Spouse	\$ 206.08	\$ 146.12	\$ 352.20
Employee and Child(ren)	\$ 189.28	\$ 146.12	\$ 335.40
Employee and Family	\$ 408.28	\$ 146.12	\$ 554.40

Buy-Up Plan

Coverage Type	Monthly Cost to Employee	Monthly Cost to City	Total Monthly Cost
Employee Only	\$ 16.97	\$ 146.12	\$ 163.09
Employee and Spouse	\$ 239.62	\$ 146.12	\$ 385.74
Employee and Child(ren)	\$ 221.42	\$ 146.12	\$ 367.54
Employee and Family	\$ 458.05	\$ 146.12	\$ 604.17

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

For more detailed information about United HealthCare please contact:

United Healthcare
2000 West Loop South, Suite 900
Houston, TX 77027

2. Post-Retirement Health Care Benefits

The City provides certain health care and life insurance benefits, under City ordinance, for:

- A. A retired person and their dependents covered under the City of Pharr's health insurance plan, prior to January 1, 2009, shall be entitled to continued coverage at the municipality's expense not to exceed \$275 per month for the retiree, and fifty percent of the cost of coverage for the dependent or \$225 whichever is less. When a retiree reaches the age of 65, the municipality will no longer pay for the retiree's and dependent's health insurance. The municipality will only pay for the cost of the retiree's Medicare Advantage Plan coverage.
- B. Any person employed with the City of Pharr, prior to January 1, 2009, that has been employed for not less than twenty (20) years with any municipality in the State of Texas that participates in the Texas Municipal Retirement System, that was employed with the City of Pharr for not less than ten (10) years, and reaches the age of fifty (50), shall be eligible upon retirement to receive continued health coverage at the expense of the municipality not to exceed \$275 per month. A dependent of an eligible retired person under the subsection shall not receive continued coverage at the expense of the municipality. When a retiree reaches the age of 65, the municipality will no longer pay for the retiree's health coverage.
- C. A person that becomes employed with the City of Pharr, after January 1, 2009, shall not be eligible for any health insurance coverage at the expense of the municipality upon retirement. A dependent of an employee under this subsection shall not receive health insurance coverage at the expense of the municipality upon retirement.

Currently, approximately 46 retirees meet these eligibility requirements. The City pays 80% of the number of validated claims for qualified medical and hospitalization costs incurred, after the retiree meets a deductible ranging from \$1,000 per individual to \$2,000 per family for In-Network coverage. The maximum out-of-pocket costs that can be incurred by a retiree in one-year ranges from, \$1,500 per individual to \$3,000 per family.

B. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are the property of the beneficiary. General inflation is assumed to be 2.50% per year with an Investment return and assumption of 6.75% per year, compounded annually, composed on an assumed 2.5% inflation rate and a 4.25% net real rate of return.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

C. Pension Plan

1. Plan Description

The City of Pharr participates as of the 872 plans in the nontraditional, joint contributory, hybrid pension plan administered by the TMRS Act, Subtitle G, Title 8, Texas Government Code (The TMRS Act) as an agent of multi-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the system with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available Comprehensive Annual Financial Report (CAFR) that can be obtained at www.TMRS.com.

All eligible employees of the City are required to participate in TMRS

2. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefits provisions are adopted by the Governing Body of the City, within options available in the state statutes governing TMRS. At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in the amount equal to 12, 24 or 36 payments, which cannot exceed 75% of the member's deposits and interest.

	Plan Year 2017	Plan Year 2018
Employee deposit rate	8.14%	8.14%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (express as age/years of service)	60/5, 0/20	60/5, 0/20
Updated Service Credit	0%	0%
Annuity Increase (to retirees)	0% of CPI	0% of CPI

Employee Covered by Benefits Terms.

At the December 31, 2017 valuation and measurement date, the following employees were covered by the benefits terms:

Inactive beneficiaries currently receiving benefits	208
Inactive employees entitled to but not yet receiving benefits	159
Active employees	573
Total	940

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

C. Pension Plan-(continued)

3. Contributions

The contribution rates for employees of TMRS are either 5%, 6% or 7% of employee gross earnings, and the City matching percentages are either 100%, 150%, or 200% as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Pharr were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Pharr were 8.14% in calendar years for both; 2017 and 2018.

The City's contributions to TMRS for the year ended September 30, 2018 were \$4,281,490.

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Annual Pension Cost:			
Annual Required Contribution	\$ 4,281,490	\$ 4,381,490	\$ 3,425,167
Contributions Made	<u>4,281,490</u>	<u>4,381,490</u>	<u>3,425,167</u>
Net Pension Obligation	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

4. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2017, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The Total Pension Liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions

Inflation	2.5 % per Year
Overall payroll growth	3.5% to 10.5% including inflation
Investment rate of return	6.75%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males' rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

4. Net Pension Liability-(continued)

Actuarial assumptions used in the December 31, 2017, valuation was based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010 through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011, and dated December 31, 2013. These assumptions were first used in the December 31, 2013 valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in Net Pension Liability

At September 30, 2018, the City reported a liability of **\$6,759,555.**

The Net Pension Liability is based on an actuarial valuation performed as of December 31, 2017 and a measurement date of December 31, 2017; as such no roll-forward was required.

For the purpose of this valuation, a single discount rate of 6.75% was used to measure the total pension liability as of December 31, 2017. This single discount rate was based on the expected rate of return on pension plan investment of 6.75%. Based on the stated assumptions and the projection of cash flow, the City's fiduciary net position and future contributions were enough to finance the future benefit payments of the current plan members for all projection years. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability for the City. The projection of cash flows used to determine the single discount rate for the City assumed that the funding policy adopted by the TMRS Board will remain in effect for all future years. Under this funding policy, the City will finance the unfunded actuarial accrued liability over the years remaining for the closed period existing for each base in addition to the employer portion of all future benefit accruals.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

4. Net Pension Liability-(continued)

Changes in Net Pension Liability-(continued)

The change in the City's net pension liability for TMRS pension for the fiscal year ended September 30, 2018 is as follows:

A	Total Pension Liability	
1	Total Service Cost	\$ 3,320,128
2	Interest on the Total Pension Liability	5,161,419
3	Current Period Benefit Changes	-
4	Difference between expected and actual experience	67,791
5	Changes of Assumptions	-
6	Benefit Payments, including refunds of employee contributions	(3,736,864)
7	Net change in total pension liability	4,812,474
8	Total pension liability-beginning	76,673,830
9	Total pension liability-ending	<u>81,486,304</u>
B	Plan fiduciary net position	
1	Contributions-employer	2,174,506
2	Contributions-employee	1,903,877
3	Net Investment income	9,059,762
4	Benefit payments, including refunds of employee contributions	(3,736,864)
5	Administrative Expense	(46,957)
6	Other	(2,380)
7	Net change in plan fiduciary net position	9,351,944
8	Plan fiduciary net position-beginning	65,374,805
9	Plan fiduciary net position-ending	<u>\$ 74,726,749</u>
C	Net Pension Liability (A9-B9)	<u>\$ 6,759,555</u>
D	Plan fiduciary net position as a percentage of the total pension liability (B9/A9)	91.70%
E	Covered-employee Payroll	27,147,409
F	Net Pension liability as a percentage of covered employee payroll (C/E)	24.90%

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

4. Net Pension Liability-(continued)

Sensitivity of the Net Position liability changes in discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
City's Net Pension Liability	\$ 19,056,335	\$ 6,759,555	\$ (3,291,030)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately issued TMRS financial report. That report may be obtained on the Internet at www.tmr.com.

5. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

For the year ended September 30, 2018, the City recognized a pension expense of **\$2,662,740.**

Schedule of Pension Expense

1 Total Service Cost	\$ 3,320,128
2 Interest on the Total Pension Liability	5,161,419
3 Current Period Benefit Changes	-
4 Employee Contributions (reduction of Expenses)	(1,903,877)
5 Projected Earnings on Plan Investments (Reduction of Expense)	(4,412,799)
6 Administrative Expense	46,957
7 Other Changes in Fiduciary Net Position	2,380
8 Recognition of Current Year Outflow (Inflow) of Resources-Liabilities	10,527
9 Recognition of Current Year Outflow (Inflow) of Resources-Assets	(929,393)
10 Amortization of Prior Year Outflows (Inflows) of Resources-Liabilities	378,120
11 Amortization of Prior Year Outflows (Inflows) of Resources-Assets	989,278
12 Total Pension Expense	<u><u>\$ 2,662,740</u></u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

5. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions –(continued)

At September 30, 2018, the city reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Recognition Period (or amortization yrs.)	Total (Inflow) or Outflow or Resources	2017 Recognized in current pension expense	Deferred (Inflow)/Outflow in future expense
<u>Due to Liabilities:</u>				
Difference in expected and actual experience actuarial (gains) or losses	6.4400	\$ 67,791	\$ 10,527	\$ 57,264
Difference in assumption changes actuarial (gains) or losses	6.4400	\$ -	\$ -	\$ -
			<u>\$ 10,527</u>	\$ 57,264
<u>Due to Assets:</u>				
Difference in projected and actual earnings on pension plan investments actuarial (gains) or losses	5.0000	\$ (4,646,963)	\$ (929,393)	\$ (3,717,570)
			<u>\$ (929,393)</u>	\$ (3,717,570)
<u>Total:</u>				<u>\$ (3,660,306)</u>

3. Pension Liabilities, Pension Expense and Deferred Outflows and Inflows of Resources Related to Pensions-(continued)

The net amounts of the City's balances of deferred outflows of resources and deferred inflows related to pensions will be recognized in pension expense as follows:

	Net deferred outflows (Inflows) of resources
2018	\$ 448,534
2019	301,107
2020	(536,450)
2021	(776,142)
2022	(14,815)
Thereafter	4,629
Total	<u>\$ (573,137)</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

D. Other Post Employment Benefit (OPEB) Programs

1. Plan Description

Texas Municipal Retirement System ("TMRS") administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund ("SDBF"). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered another postemployment benefit ("OPEB") and is a fixed amount of \$7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is an unfunded OPEB plan (i.e. no assets are accumulated).

The member city contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees' entire careers.

GASB 75 requires employers to recognize the total OPEB liability and the OPEB expense on their financial statements. The OPEB expense recognized each fiscal year is equal to the change in the total OPEB liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability.

In the year of implementation, the employer should make a prior period adjustment for the total OPEB liability as of the 12/31/2016 measurement date (provided) and record a deferred outflow of resources for contributions recorded by the city (retiree portion of SDB rate only) from December 31, 2016 to its prior fiscal year end. TMRS has elected to not calculate other deferrals as of the December 31, 2016 measurement date.

The total OPEB liability shown in this report is based on an actuarial valuation performed as of December 31, 2017 and a measurement date of December 31, 2017; as such, no roll-forward is required.

2. Supplemental Death Benefits (SDBF) Plan Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

Plan/Calendar Year	Total SDB Contribution (Rate)	Retiree Portion of SDB Contribution (Rate)
2017	0.13%	0.03%
2018	0.13%	0.03%

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

3. OPEB Liability

The Other Post-Employment benefits (OPEB) was measured as of December 31, 2017, and the Total Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The Total OPEB Liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions

Inflation	2.5 % per Year
Overall payroll growth	3.5% to 10.5% including inflation
Discount rate*	3.31%

* The discount rate was based on Fidelity Index's "20-Year Municipal GO AA Index rate" as of December 31, 2017

The change in the City's OPEB for City of Pharr for the fiscal year ended September 30, 2018 is as follows:

	<u>2017</u>
Membership	
Number of	
Inactives Employees currently receiving benefits	166
Inactives Employees entitled but not yet receiving benefits	44
Active Employees	<u>573</u>
Total	783
 Covered Payroll	 \$ 27,147,409
 Changes in the Total OPEB Liability	 \$ 948,524
Changes for the Year	
Service Cost	51,580
Interest on Total OPEB Liability	36,675
Changes of Benefits terms	-
Difference between expected and actual experience	-
Changes in assumptions or other inputs	94,497
Benefit Payments**	<u>(8,144)</u>
Net Changes	<u>174,608</u>
Total OPEB Liability-end of Year	<u>\$ 1,123,132</u>
 Total OPEB Liability as a percentage of Covered Payroll	 4.14%

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

Sensitivity of the Net Position liability changes in discount rate

	1% Decrease 2.31%	Current Single Rate Assumption 3.31%	1% Increase 4.31%
Total OPEB Liability	\$ 1,367,241	\$ 1,123,132	\$ 935,162

4. OPEB Expense

For the year ended September 30, 2018, the City recognized OPEB expense of **\$100,624.**

OPEB Expense:	\$ 51,580
Service Cost	36,675
Interest on total OPEB liability	-
Changes in benefits terms	-
Employer administrative costs	-
Recognition of deferred outflows/inflows of resources:	
Difference between expected and actual experience *	-
Changes in assumptions or other inputs**	12,369
Total OPEB Expense	<u><u>\$ 100,624</u></u>

*In the year of implementation, the beginning of year liability is rolled back from the measurement date, so there will be no experience loss/ (gain)

** Generally, this will only be the annual change in the municipal bond index rate.

5. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At September 30, 2018, the city reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Recognition Period (or amortization yrs.)	Total (Inflow) or Outflow or Resources	2017 Recognized in current OPEB expense	Deferred (Inflow)/Outflow in future expense
Due to Liabilities:				
Difference in expected and actual experience actuarial (gains) or losses	7.6400	\$ -	\$ -	\$ -
Difference in assumption changes actuarial (gains) or losses	7.6400	\$ 94,497	12,369	82,128
Contributions made subsequent to measurement date				
Total (excluding city provided contributions made subsequent to measurement date)				<u><u>\$ 82,128</u></u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

5. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions –(continued)

The net amounts of the City's balances of deferred outflows of resources and deferred inflows related to pensions will be recognized in OPEB expense as follows:

	Net deferred outflows (Inflows) of resources
2018	\$ 12,369
2019	12,369
2020	12,369
2021	12,369
2022	12,369
Thereafter	20,283
Total	<u>\$ 82,128</u>

In Fiscal year 2011-2012, the City entered into a contractual agreement with First Southwest Advisory Services, Inc. (FSWA). for the administration and maintenance of cash and other assets from the City's contributions for Other Post-Employment Benefits in the form of an irrevocable trust to fund for its long-term obligation to its participants and to comply with GASB Statement No. 45.

FSWA is registered as an investment advisor with the Securities and Exchange Commission ("SEC") pursuant to the Investment Advisers Act of 1940 and acknowledges that it is a fiduciary with respect to the Trust. FSWA will notify Employer if at any time during the term of this Agreement if it is not registered or if its registration is suspended or restricted.

The balance of the trust at September 30, 2018 was \$1,631,069.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

E. Commitments

1. Grant Programs

The City participates in several federal and state assisted grant programs. Under the terms of these grants, the City is subject to program compliance audits by the grantors or their representatives. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. If future program compliance audits result in questioned or disallowed costs, reimbursements would be made to the grantor agencies. The amounts of expenditures which might be disallowed by the grantor agencies cannot be determined at this time; however, management believes such amounts, if any, would be immaterial.

2. Litigation

The City is a defendant in various lawsuits. It is the opinion of the City's legal counsel and management there are no potential unasserted claim as of September 30, 2018.

3. Construction Commitments

The City has entered into various significant construction commitments that are currently underway. As of September 30, 2018, they are as follows:

Governmental:				
	Balance 10/1/2017	Additions	Completions	Balance 9/30/2018
<u>PARKS</u>				
Civic Center Renovation	\$ 31,868	\$ 456,337	\$ -	\$ 488,205
Parks Designs and Improvements	498,449	288,087	-	786,536
Jones Box Pedestrian	9,846	-	-	9,846
Newcombe	8,437	43,915	-	52,352
Dr. Long Park	46,998	642,381	-	689,379
Jones Box Park	527,492	69,705	-	597,197
Nature Park	-	1,143,225	-	1,143,225
Witten Park and Sports Complex	-	9,625	-	9,625
Baseball Dugouts	-	20,309	-	20,309
Aquatic Park Renovations	-	17,000	-	17,000
Arnold Elementary Park	-	1,301,719	-	1,301,719
Victor Garcia Skate Park	-	55,860	-	55,860
Total Parks	1,123,090	4,048,163	-	5,171,253
<u>STREETS</u>				
South Alondra	2,985	-	-	2,985
Anaya Road	41,639	288,248	-	329,887
Hi-Line	37,028	501,172	-	538,200
Owassa Road	3,182,741	49,234	-	3,231,975
Bike Path Stripping	294,413	-	-	294,413
LED Project	2,103,422	-	-	2,103,422
4 Year Repaving Program	6,701,377	2,648,326	-	9,349,703
PSJA Tri-City Pedestrian	82,191	11,413	-	93,604
Jackson Median	-	70,793	70,793	-
Railroad Crossing	-	89,515	-	89,515
Downtown Traffic Loop	-	125,937	-	125,937
West Las Milpas	-	98,610	-	98,610
Thomas Rd	-	33,698	-	33,698
Downtown Lighting	-	48,359	-	48,359
Veterans Road	-	202,614	-	202,614
St. Jude Parking Lot	-	208,612	-	208,612
Moore Road	365,368	28,466	-	393,834
Total Streets	12,811,164	4,404,997	70,793	17,145,368

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

E. Commitments-(continued)

Governmental:				
	Balance 10/1/2017	Additions	Completions	Balance 9/30/2018
<u>DEVELOPMENT</u>				
South Research Center	2,768,591	1,958,350	4,726,941	-
Total Development	2,768,591	1,958,350	4,726,941	-
<u>PUBLIC SAFETY</u>				
Communication Center	-	2,089,980	-	2,089,980
South Fire Station No. 4	-	774,998	-	774,998
North Fire Station No. 1	-	42,292	-	42,292
Total Public Safety	-	2,907,270	-	2,907,270
Total Governmental	\$ 16,702,845	\$ 13,318,780	\$ 4,797,734	\$ 25,223,891

Business-Type:				
	Balance 10/1/2017	Additions	Completions	Balance 9/30/2018
<u>UTILITY</u>				
Water Transmission	8,512,074	348,468	8,860,542	-
Rehab LBJ Water Tower	78,570	65,130	-	143,700
Waste Water Treatment Clarifier	863,220	73,115	-	936,335
Lift Station N. 25	2,064,010	1,098,690	-	3,162,700
West Oak Improvements	-	494,508	494,508	-
Manhole & Lift Station Rehabilitation	-	61,650	-	61,650
Eldora Water Tower	-	1,044,240	1,044,240	-
Lift Station No. 1	-	28,430	-	28,430
Moore Road Sewer Improvements	-	5,500	-	5,500
Relocation W & SW	442,405	-	17,320	425,085
Total Utility	11,960,279	3,219,731	10,416,610	4,763,400
<u>BRIDGE</u>				
Port of Entry Modernization	449,255	233,963	683,218	-
Northbound Lane Improvements	164,403	-	164,403	-
International Trade Center	117,218	-	117,218	-
Bridge Office Expansion	-	52,300	-	52,300
FY 15 DAP	-	633,552	-	633,552
DY 16 DAP	-	1,260,064	-	1,260,064
Total Bridge	730,876	2,179,879	964,839	1,945,916
Total Business-Type:	\$ 12,691,155	\$ 5,399,610	\$ 11,381,449	\$ 6,709,316
Grand Total	\$ 29,394,000	\$ 18,718,390	\$ 16,179,183	\$ 31,933,207

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

4. Economic Development Commitments

The PEDC, TIRZ, and the City have the following outstanding commitments as of September 30, 2018:

<u>Program Commitment To</u>	<u>Amount Pending</u>	<u>Obligator</u>	<u>Purpose</u>	<u>Length of Time</u>
City of Pharr	varies	TIRZ	Infrastructure development	20 Years
UTRGV	\$ 2,500,000	City of Pharr	Infrastructure development	10 Years
Pharr Town Center	varies****	City of Pharr	Commercial development	10 Years
Total	<u>\$2,500,000</u>			

**City will reimburse 25% of sales tax received for 6 years plus 100% of property taxes for 10 years

***City will reimburse the difference between the previous HEB store's sales taxes and property taxes compared to their new store

****City will reimburse 25% of sales tax received for 10 years

F. Land available for sale

During FY 2011-2012, the City and PEDC entered into an agreement to buy land for economic development purposes. As of September 30, 2015, the City has a market value of \$8,867,500 in land including demolitions and infrastructure. On February 2012, the City Commission approved to contribute all land that has been purchased to the PEDC, the transfer of all land titles was completed as of September 30, 2013. Per GASB standards, land available for sale should be recorded at the lower of cost or net realizable value (NRV). The City obtained appraisals for the land on January 2017 which indicated that the land was worth \$1,565,698 less than the previous recorded value, a loss of this amount was reported on the financial statements as a special item. The balance of land available for development is recorded as Land Available for Sale in the PEDC fund. Appraisal of land will be done every two years, which began in the September 30, 2013 fiscal year.

The summary land transactions are stated on the following table:

<u>Project/Land</u>	<u>NRV Recorded 9.30.2017</u>	<u>Added/ (Removed)</u>	<u>Gain/(Loss) on Appraised Value</u>	<u>NRV Recorded 9.30.2018</u>
Jackson Development Project	\$ 6,540,000	\$ (4,926,958)	\$ (373,042)	\$ 1,240,000
Produce Park	2,327,500	(509,851)	16,851	1,834,500
Total	\$ 8,867,500	\$ (5,436,809)	\$ (356,191)	\$ 3,074,500

G. Related Party

None

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

H. New Accounting Principles

In fiscal year 2018, the City implemented GASB 75 which is summarized as follows:

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

The following pronouncements were also issued by GASB but not applicable to City of Pharr as of September 30, 2018.

- GASB Statement No. 83, Certain Asset Retirement Obligations
- GASB Statement No. 84, Fiduciary Activities
- GASB Statement No. 85, Omnibus 2017
- GASB Statement No. 86, Certain Debt Extinguishment Issues
- GASB Statement No. 87, Leases

- a. Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.

This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. This Statement requires that recognition occur when the liability is both incurred and reasonably estimable. The determination of when the liability is both incurred and reasonably estimable. The determination of when the liability is incurred should be based on the occurrence of external laws, regulations, contracts, or court judgments, together with the occurrence of an internal event that obligates a government to perform asset retirement activities. Laws and regulations may require governments to take specific actions to retire certain tangible capital assets at the end of the useful lives of those capital assets, such as decommissioning nuclear reactors and dismantling and removing sewage treatment plants. Other obligations to retire tangible capital assets may arise from contracts or court judgments. Internal obligating events include the occurrence of contamination, placing into operation a tangible capital asset that is required to be retired, abandoning a tangible capital asset before it is placed into operation, or acquiring a tangible capital asset that has an existing ARO.

This Statement also requires disclosure of information about the nature of a government's AROs, the methods and assumptions used for the estimates of the liabilities, and the estimated remaining useful life of the associated tangible capital assets. If an ARO (or portions thereof) has been incurred by a government but is not yet recognized because it is not reasonably estimable, the government is required to disclose that fact and the reasons therefor. This Statement requires similar disclosures for a government's minority shares of ARO.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

- b. Statement No. 84 objective is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

I. New Accounting Principles-(continued)

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.

- c. Statement No. 85 addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pension and other postemployment benefits [OPEB]).

The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged.

- d. Statement No. 86 objective is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources-resources other than the proceeds of refunding debt-are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

Governments that defease debt using only existing resources should provide a general description of the transaction in the notes to financial statements in the period of the defeasance. In all periods following an in-substance defeasance of debt using only existing resources, the amount of that debt that remains outstanding at period-end should be disclosed.

For governments that extinguish debt, whether through a legal extinguishment or through an in-substance defeasance, this Statement requires that any remaining prepaid insurance related to the extinguished debt be included in the net carrying amount of that debt for the purpose of calculating the difference between the reacquisition price and the net carrying amount of the debt.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged.

- e. Statement No. 87 objective is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statements are effective for reporting periods beginning after December 15, 2019.

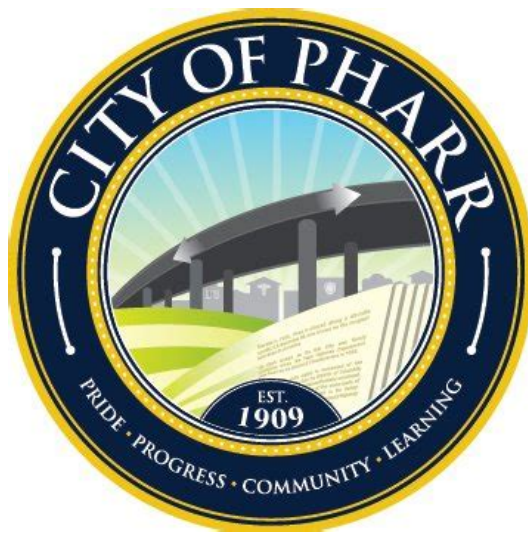
City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

IV. OTHER INFORMATION - (continued)

J. Subsequent Events

For the purpose of reporting subsequent events, management has considered events occurring through March 12, 2019 the date the report was available to be issued, and the following are to be disclosed:

- On November 20, 2017, the City of Pharr issued Certificates of Obligations with a par value of \$16,440,000 with a premium of \$2,048,204. The purpose of this issuance is to fund capital improvement projects approved during the budget 2017-2018 process. These projects are for infrastructure, streets and public safety.
- A Budget amendment was taken to City Commission and approved on January 2019 with a net effect for the General Fund of \$439,900 of expenditures over revenues.



REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF PHARR, TEXAS
POST EMPLOYMENT BENEFIT PLAN
RETIREE HEALTH INSURANCE BENEFIT PLAN
SCHEDULE OF FUNDING PROGRESS (unaudited)**

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded Ratio (a/b)	Excess of Assets Over/ (Unfunded) AAL (a-b)	Covered Payroll (c)	Unfunded AAL as Percentage of Covered Payroll ((b-a)/c)
12/31/10	\$ 41,686,353	\$ 46,768,782	89.1%	\$ 5,082,429	\$ 17,770,636	28.6%
12/31/11	\$ 45,864,221	\$ 49,965,141	91.8%	\$ 4,100,920	\$ 19,519,197	21.0%
12/31/12	\$ 49,962,459	\$ 53,717,387	93.0%	\$ 3,754,928	\$ 20,588,476	18.2%
12/31/13	\$ 54,346,139	\$ 61,820,357	87.9%	\$ 7,474,218	\$ 21,980,889	34.0%
12/31/14	\$ 58,982,997	\$ 65,909,395	89.5%	\$ 6,926,398	\$ 23,264,509	29.8%
12/31/15	\$ 62,699,607	\$ 72,524,993	86.5%	\$ 9,825,386	\$ 24,723,154	39.7%
12/31/16	\$ 66,621,323	\$ 76,673,830	86.9%	\$ 10,052,507	\$ 26,122,943	38.5%
12/31/17	\$ 71,679,826	81,486,304	88.0%	\$ 9,806,478	\$ 27,718,603	35.4%

CITY OF PHARR, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN YEARS

A Total Pension Liability	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1 Total Service Cost	\$ 2,377,944	\$ 2,746,650	\$ 3,146,078	\$ 3,320,128	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
2 Interest on the Total Pension Liability	4,321,502	4,587,828	4,880,163	5,161,419	XXX	XXX	XXX	XXX	XXX	XXX
3 Current Period Benefit Changes	-	-	-	-	XXX	XXX	XXX	XXX	XXX	XXX
4 Difference between expected and actual experience	(63,247)	435,455	(278,776)	67,791	XXX	XXX	XXX	XXX	XXX	XXX
5 Changes of Assumptions	-	2,330,292	-	-	XXX	XXX	XXX	XXX	XXX	XXX
6 Benefit Payments, including refunds of employee contributions	(2,547,161)	(3,484,627)	(3,598,628)	(3,736,864)	XXX	XXX	XXX	XXX	XXX	XXX
7 Net change in total pension liability	\$ 4,089,038	\$ 6,615,598	\$ 4,148,837	\$ 4,812,474	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
8 Total pension liability-beginning	61,820,357	65,909,395	72,524,993	76,673,830	XXX	XXX	XXX	XXX	XXX	XXX
9 Total pension liability-ending	<u>\$ 65,909,395</u>	<u>\$ 72,524,993</u>	<u>\$ 76,673,830</u>	<u>\$ 81,486,304</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>
B Plan fiduciary net position										
1 Contributions-employer	\$ 1,570,743	\$ 1,649,708	\$ 1,683,200	2,174,506	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
2 Contributions-employee	1,578,431	1,702,972	1,800,699	1,903,877	XXX	XXX	XXX	XXX	XXX	XXX
3 Net Investment income	3,296,861	90,733	4,148,172	9,059,762	XXX	XXX	XXX	XXX	XXX	XXX
4 Benefit payments, including refunds of employee contributions	(2,547,161)	(3,484,627)	(3,598,628)	(3,736,864)	XXX	XXX	XXX	XXX	XXX	XXX
5 Administrative Expense	(34,419)	(55,265)	(46,857)	(46,957)	XXX	XXX	XXX	XXX	XXX	XXX
6 Other	(2,830)	(2,730)	(2,525)	(2,380)	XXX	XXX	XXX	XXX	XXX	XXX
7 Net change in plan fiduciary net position	\$ 3,861,625	\$ (99,209)	\$ 3,984,061	\$ 9,351,944	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
8 Plan fiduciary net position-beginning	57,628,328	61,489,953	61,390,744	65,374,805	XXX	XXX	XXX	XXX	XXX	XXX
9 Plan fiduciary net position-ending	<u>\$ 61,489,953</u>	<u>\$ 61,390,744</u>	<u>\$ 65,374,805</u>	<u>\$ 74,726,749</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>
C Net Pension Liability (A9-B9)	<u>\$ 4,419,442</u>	<u>\$ 11,134,249</u>	<u>\$ 11,299,025</u>	<u>\$ 6,759,555</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>
D Plan fiduciary net position as a percentage of the total pension liability (B9/A9)	93.29%	84.65%	85.26%	91.70%	XXX%	XXX%	XXX%	XXX%	XXX%	XXX%
E Covered-employee Payroll	\$ 22,531,464	\$ 24,328,166	\$ 25,724,265	\$ 27,417,409	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
F Net Pension liability as a percentage of covered employee payroll (C/E)	19.61%	45.77%	43.92%	24.65%	XXX%	XXX%	XXX%	XXX%	XXX%	XXX%

Note to City: GASB 68 requires 10 fiscal years of data to be provided in this schedule.
City will be required to build this schedule over the next 10-year period.

CITY OF PHARR, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
LAST TEN YEARS

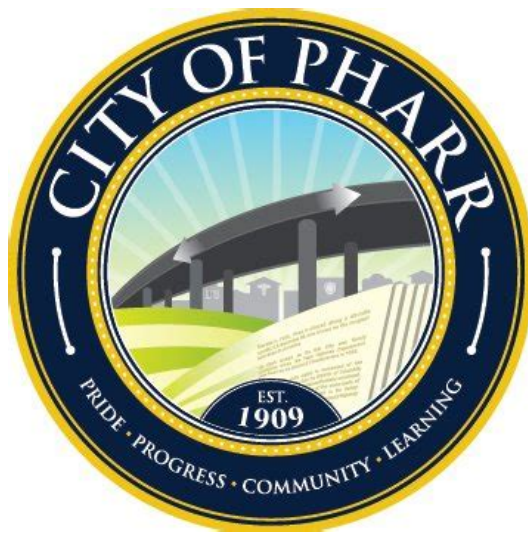
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially Determined Contribution	\$XXX	\$ 1,980,325	\$ 2,092,448	\$ 2,175,593	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Contributions in relation to the actuarially determined contribution	XXX	\$ 1,715,919	\$ 2,005,126	\$ 2,236,749	XXX	XXX	XXX	XXX	XXX	XXX
Contribution deficiency (excess)	XXX	\$ 264,406	\$ 87,322	\$ (61,156)	XXX	XXX	XXX	XXX	XXX	XXX
Covered employee payroll	XXX	\$ 24,723,154	\$ 26,122,943	\$ 27,147,409	XXX	XXX	XXX	XXX	XXX	XXX
Contributions as a percentage of covered employee payroll	XXX%	6.94%	7.68%	8.24%	XXX%	XXX%	XXX%	XXX%	XXX%	XXX%

Note to City: GASB 68 requires 10 fiscal years of data to be provided in this schedule.
City will be required to build this schedule over the next 10-year period.

CITY OF PHARR, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS
LAST TEN YEARS

A Total Pension Liability	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
1 Total OPEB Liability-beginning of year	\$ 948,524	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Changes for the year										
Service Cost	51,580	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Interest on Total OPEB Liability	36,675	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Changes in benefits terms	-	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Differences between expected and actual experience	-	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Changes in assumption or other inputs	\$ 94,497	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Benefit payments**	(8,144)	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Net Changes	\$ 174,608	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Total OPEB Liability-end of year	\$ 1,123,132	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Total OPEB Liability as a percentage of Covered Payroll	4.14%									

Note to City: GASB 68 requires 10 fiscal years of data to be provided in this schedule.
City will be required to build this schedule over the next 10-year period.

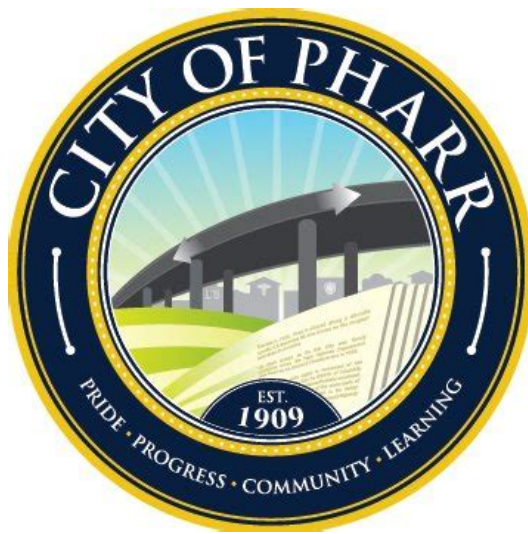


CITY OF PHARR, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Taxes:					
Property	\$	16,705,700	\$ 16,705,700	\$ 16,626,665	\$ (79,035)
Sales		12,705,000	13,187,300	14,017,135	829,835
Franchise		2,315,000	2,374,800	2,491,884	117,084
Other		190,000	269,500	162,152	(107,348)
Licenses and permits		706,100	706,100	722,697	16,597
Intergovernmental		468,900	656,900	614,666	(42,234)
Fees and charges:					
Sanitation		2,843,000	2,910,100	2,861,932	(48,168)
Brush		1,184,000	1,219,800	1,182,051	(37,749)
Other		1,399,600	1,616,800	1,473,662	(143,138)
Fines		1,550,500	1,098,100	1,067,894	(30,206)
Interest income		75,600	166,400	281,309	114,909
Other		349,200	589,200	783,544	194,344
Total revenues		<u>40,492,600</u>	<u>41,500,700</u>	<u>42,285,591</u>	<u>784,891</u>
EXPENDITURES					
Current:					
General government		12,196,800	12,385,800	11,575,564	810,236
Public safety		22,845,300	23,786,400	22,822,815	963,585
Highways and streets		4,244,700	4,242,200	4,071,112	171,088
Health and welfare		2,735,000	2,835,000	2,853,212	(18,212)
Culture and recreation		6,167,500	6,342,700	5,235,128	1,107,572
Debt service:					
Principal		1,318,200	1,318,200	1,371,606	(53,406)
Interest		103,100	103,100	97,919	5,181
Total expenditures		<u>49,610,600</u>	<u>51,013,400</u>	<u>48,027,356</u>	<u>2,986,044</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(9,118,000)</u>	<u>(9,512,700)</u>	<u>(5,741,765)</u>	<u>(2,201,153)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		11,443,800	8,021,700	8,026,700	5,000
Transfers (out)		(17,335,100)	(22,748,800)	(22,994,751)	(245,951)
Cost of Issuance		-	-	(306,385)	(306,385)
Issuance of debt		13,920,200	21,654,800	19,678,700	(1,976,100)
Premium		-	-	2,297,189	2,297,189
Total other financing sources and uses		<u>8,028,900</u>	<u>6,927,700</u>	<u>6,701,453</u>	<u>(226,247)</u>
Net change in fund balance		<u>(1,089,100)</u>	<u>(2,585,000)</u>	<u>959,688</u>	<u>(2,427,400)</u>
Fund balance - beginning		-	-	22,754,602	22,754,602
Prior period adjustment		-	-	147,907	147,907
Fund balance - ending	\$	<u>(1,089,100)</u>	<u>(2,585,000)</u>	<u>23,862,197</u>	<u>20,475,109</u>

CITY OF PHARR, TEXAS
PHARR ECONOMIC DEVELOPMENT CORPORATION, INC.
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
				Basis	Budget Basis
REVENUES					
Taxes:					
Sales	\$	4,235,000	\$ 4,235,000	\$ 4,672,378	\$ 437,378
Interest income		10,000	10,000	89,135	79,135
Other		396,600	1,196,600	374,626	(821,974)
Total revenues		<u>4,641,600</u>	<u>5,441,600</u>	<u>5,136,139</u>	<u>(305,461)</u>
EXPENDITURES					
Current:					
Economic development		3,062,800	9,074,800	8,690,596	384,204
Debt service:		-			
Principal		912,200	4,112,200	4,595,485	(483,285)
Interest		873,900	873,900	378,005	495,895
Total expenditures		<u>4,848,900</u>	<u>14,060,900</u>	<u>13,664,086</u>	<u>396,814</u>
Excess (deficiency) of revenues					
over (under) expenditures		<u>(207,300)</u>	<u>(8,619,300)</u>	<u>(8,527,947)</u>	<u>(702,275)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		1,229,500	1,429,500	1,229,500	(200,000)
Transfers (out)		(6,557,200)	(2,292,200)	(1,697,200)	595,000
Proceeds from sale of assets		-	-	-	-
Issuance of debt		5,535,000	2,212,000	2,841,028	629,028
Total other financing sources					
and uses		<u>207,300</u>	<u>1,349,300</u>	<u>2,373,328</u>	<u>1,024,028</u>
SPECIAL ITEMS					
Gain/(Loss) on land available for sale valuation		-	-	(356,190)	(356,190)
Total special items		-	-	(356,190)	(356,190)
Net change in fund balance		-	(7,270,000)	(6,510,809)	321,753
Fund balance - beginning		12,869,140	12,869,140	12,869,140	-
Prior period adjustment		-	-	36,632	36,632
Fund balance - ending	\$	<u>12,869,140</u>	<u>5,599,140</u>	<u>6,394,963</u>	<u>358,385</u>



**COMBINING AND INDIVIDUAL FUND INFORMATION AND
OTHER SUPPLEMENTARY INFORMATION**

Non-Major Governmental Funds Combining Financial Statements

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Asset Sharing – This fund accounts for forfeitures awarded to the City by the courts and drug enforcement expenditures.

Community Development – This fund accounts for revenue received from the Community Development Block Grant and the expenditures allowed by grant terms.

Hotel-Motel – This fund accounts for revenue from a seven percent tax levied upon the cost of City hotel and motel rooms with a daily rate over \$2. According to state civil statutes, this tax revenue can be used to promote tourism, maintain and repair convention facilities, promote the arts and humanities, or any other purpose directly related to these activities.

Parkland Dedication – This fund accounts for contributions developers are required to make when creating subdivisions for park improvements or development.

Paving & Drainage – This fund accounts for restricted funds that were billed and collected from every utility account to supplement the cost of street improvements.

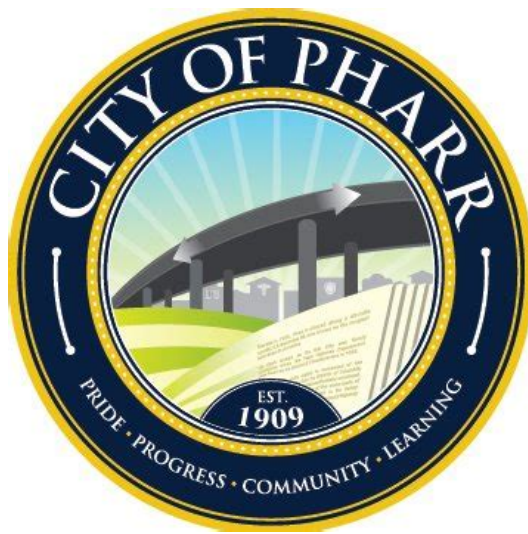
Special Revenue – This fund accounts for miscellaneous revenues for various purposes that are restricted from general use. Seven departments use this fund: Police, Fire, Court, Streets, Library, Planning & Zoning, and Non-Departmental.

Grants – This fund accounts for general grant revenues awarded to the City.

Three departments utilize this fund: Police, Fire, and Library.

Debt Service Funds are used to account for the accumulation of resources and payment of general long-term debt of the City.

Debt Service – This fund accounts for the accumulation of resources for and the payment of General and Certificates of Obligation.



CITY OF PHARR, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

	Special Revenue Funds			
	Asset Sharing	Community Development	Hotel/Motel	Parkland Dedication
<u>ASSETS AND DEFERRED OUTFLOWS</u>				
Cash	\$ 547,672	\$ 1,081,202	\$ 1,265,039	\$ 244,783
Receivables (net of allowance for uncollectible):				
Property taxes	-	-	-	-
Notes	-	55,224	-	-
Accounts	-	-	-	-
Other	-	-	175,164	-
Due from other funds	-	-	-	-
Restricted assets:				
Intergovernmental receivable	-	8,091	-	-
Total assets	\$ 547,672	\$ 1,144,517	\$ 1,440,203	\$ 244,783
<u>LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCE</u>				
Liabilities:				
Accounts payable	\$ 8,980	\$ 400,132	\$ 575	\$ -
Due to other funds	85,466	174,884	-	-
Unearned revenue	-	-	-	-
Total liabilities	94,446	575,016	575	-
Deferred Inflows of Resources:				
Deferred property tax	-	-	-	-
Deferred accounts	-	-	-	-
Deferred notes	-	55,224	-	-
Total deferred inflows	-	55,224	-	-
Fund balances:				
Restricted:				
General Government	-	-	-	-
Debt service	-	-	-	-
Street paving and drainage	-	-	-	-
Tourism	-	-	1,439,628	-
Public safety	453,226	-	-	-
Parkland	-	-	-	244,783
Community development	-	514,277	-	-
Economic development	-	-	-	-
Assigned:				
Capital outlay	-	-	-	-
Total fund balances	453,226	514,277	1,439,628	244,783
Total liabilities and fund balances	\$ 547,672	\$ 1,144,517	\$ 1,440,203	\$ 244,783

CITY OF PHARR, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2018

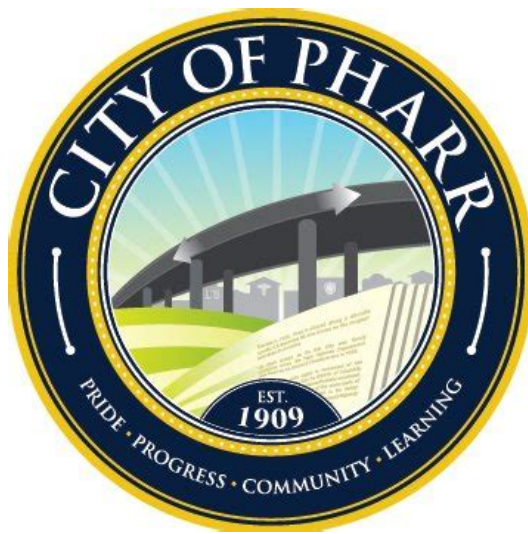
Special Revenue Funds					Debt Service Fund	Total Nonmajor Governmental Funds
Paving & Drainage	Grants	TIRZ No. 1	TIRZ No. 2	Total	Debt Service	
\$ 676,190	\$ 21,043	\$ 422,003	\$ 375,036	\$ 4,632,968	\$ 558,483	\$ 5,191,451
-	-	-	-	-	-	-
-	-	-	-	55,224	241,250	241,250
143,563	-	-	-	143,563	-	55,224
-	-	85,100	-	260,264	-	143,563
-	-	-	-	-	-	260,264
-	-	-	-	-	-	-
-	391,448	-	-	399,539	-	-
\$ <u>819,753</u>	\$ <u>412,491</u>	\$ <u>507,103</u>	\$ <u>375,036</u>	\$ <u>5,491,558</u>	\$ <u>799,733</u>	\$ <u>6,291,291</u>
\$ -	\$ 38,598	\$ -	\$ 27,000	\$ 475,285	\$ -	\$ 475,285
-	373,893	-	-	634,243	-	634,243
-	-	-	-	-	-	-
<u>-</u>	<u>412,491</u>	<u>-</u>	<u>27,000</u>	<u>1,109,528</u>	<u>-</u>	<u>1,109,528</u>
-	-	-	-	-	241,250	241,250
143,563	-	-	-	143,563	-	143,563
-	-	-	-	55,224	-	55,224
<u>143,563</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>198,787</u>	<u>241,250</u>	<u>440,037</u>
-	-	-	-	-	-	-
-	-	-	-	-	558,483	558,483
676,190	-	-	-	676,190	-	676,190
-	-	-	-	1,439,628	-	1,439,628
-	-	-	-	453,226	-	453,226
-	-	-	-	244,783	-	244,783
-	-	-	-	514,277	-	514,277
-	-	507,103	348,036	855,139	-	855,139
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>676,190</u>	<u>-</u>	<u>507,103</u>	<u>348,036</u>	<u>4,183,243</u>	<u>558,483</u>	<u>4,741,726</u>
\$ <u>819,753</u>	\$ <u>412,491</u>	\$ <u>507,103</u>	\$ <u>375,036</u>	\$ <u>5,491,558</u>	\$ <u>799,733</u>	\$ <u>6,291,291</u>

CITY OF PHARR, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Special Revenue Funds				
		Asset Sharing	Community Development	Hotel/Motel	Parkland Dedication	
REVENUES						
Taxes:						
Property	\$	-	\$	-	\$	-
Other		-	-	685,987	-	
Intergovernmental		282,724	1,224,632	-	-	
Fees and charges:						
Other		-	-	-	156,003	
Interest income		7,197	2,673	8,343	4,038	
Other		-	630	32,433	-	
Total revenues		289,921	1,227,935	726,763	160,041	
EXPENDITURES						
Current:						
General government		-	1,047,917	-	-	
Public safety		51,080	5,784	-	-	
Highways and streets		-	9,831	-	-	
Health & Welfare		-	-	-	-	
Culture and recreation		-	89,421	102,738	-	
Economic development		-	-	-	-	
Debt service:						
Principal		-	295,000	-	-	
Interest		-	117,676	-	-	
Total expenditures		51,080	1,565,629	102,738	-	
Excess (deficiency) of revenues over (under) expenditures		238,841	(337,694)	624,025	160,041	
OTHER FINANCING SOURCES (USES)						
Issuance of Debt		-	-	-	-	
Issuance of Debt-Premium		-	-	-	-	
Cost of Issuance		-	-	-	-	
Transfers in		-	818,572	-	-	
Transfers (out)		(367,000)	-	(877,000)	-	
Total other financing sources and uses		(367,000)	818,572	(877,000)	-	
Net change in fund balances		(128,159)	480,878	(252,975)	160,041	
Fund balance - beginning		579,191	33,951	1,692,603	84,742	
Prior period adjustment		2,194	(552)	-	-	
Fund balance - ending		\$ 453,226	\$ 514,277	\$ 1,439,628	\$ 244,783	

CITY OF PHARR, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

Special Revenue Funds					Debt Service Fund	Total Nonmajor Governmental Funds
Paving & Drainage	Grants	TIRZ No. 1	TIRZ No. 2	Total	Debt Service	
\$ -	\$ -	\$ 211,500	\$ 347,700	\$ 559,200	\$ 2,458,160	\$ 3,017,360
-	-	-	-	685,987	-	685,987
-	1,535,484	-	-	3,042,840	-	3,042,840
1,044,299	-	-	-	1,200,302	-	1,200,302
19,499	-	4,213	336	46,299	-	46,299
-	-	-	-	33,063	-	33,063
<u>1,063,798</u>	<u>1,535,484</u>	<u>215,713</u>	<u>348,036</u>	<u>5,567,691</u>	<u>2,458,160</u>	<u>8,025,851</u>
-	-	-	-	1,047,917	-	1,047,917
-	850,218	-	-	907,082	-	907,082
284	-	-	-	10,115	-	10,115
-	-	-	-	-	-	-
-	207,723	-	-	399,882	-	399,882
-	-	-	-	-	-	-
-	-	-	-	295,000	5,095,242	5,390,242
-	-	-	-	117,676	1,582,301	1,699,977
<u>284</u>	<u>1,057,941</u>	<u>-</u>	<u>-</u>	<u>2,777,672</u>	<u>6,677,543</u>	<u>9,455,215</u>
1,063,514	477,543	215,713	348,036	2,790,019	(4,219,383)	(1,429,364)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	818,572	4,527,227	5,345,799
<u>(850,000)</u>	<u>(477,543)</u>	<u>-</u>	<u>-</u>	<u>(2,571,543)</u>	<u>-</u>	<u>(2,571,543)</u>
<u>(850,000)</u>	<u>(477,543)</u>	<u>-</u>	<u>-</u>	<u>(1,752,971)</u>	<u>4,527,227</u>	<u>2,774,256</u>
213,514	-	215,713	348,036	1,037,048	307,844	1,344,892
462,676	-	291,390	-	3,144,553	250,639	3,395,192
-	-	-	-	1,642	-	1,642
<u>\$ 676,190</u>	<u>\$ -</u>	<u>\$ 507,103</u>	<u>\$ 348,036</u>	<u>\$ 4,183,243</u>	<u>\$ 558,483</u>	<u>\$ 4,741,726</u>



Governmental Funds

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

General Fund (detailed): is used to account for all financial resources except those required to be reported in another fund.

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Asset Sharing – This fund accounts for forfeitures awarded to the City by the courts and drug enforcement expenditures.

Community Development – This fund accounts for revenue received from the Community Development Block Grant and the expenditures allowed by grant terms.

Hotel-Motel – This fund accounts for revenue from a seven percent tax levied upon the cost of City hotel and motel rooms with a daily rate over \$2. According to state civil statutes, this tax revenue can be used to promote tourism, maintain and repair convention facilities, promote the arts and humanities, or any other purpose directly related to these activities.

Parkland Dedication – This fund accounts for contributions developers are required to make when creating subdivisions for park improvements or development.

Paving & Drainage – This fund accounts for restricted funds that were billed and collected from every utility account to supplement the cost of street improvements.

Grants – This fund accounts for general grant revenues awarded to the City. Three departments utilize this fund: Police, Fire, and Library.

Debt Service Funds are used to account for the accumulation of resources and payment of general long-term debt of the City.

Debt Service – This fund accounts for the accumulation of resources for and the payment of General and Certificates of Obligation.

CITY OF PHARR, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Taxes:					
	Property				
	Current	\$ 15,605,700	\$ 15,605,700	\$ 15,588,142	\$ (17,558)
	Delinquent	640,000	640,000	615,104	(24,896)
	Penalty & interest	460,000	460,000	423,418	(36,582)
	Total property taxes	16,705,700	16,705,700	16,626,664	(79,036)
	Sales	12,705,000	13,187,300	14,017,135	829,835
	Franchise				
	Telephone	275,000	283,000	216,310	(66,690)
	Electric	1,650,000	1,689,800	1,817,584	127,784
	Cable	300,000	308,000	348,284	40,284
	Gas	90,000	94,000	109,706	15,706
	Total franchise taxes	2,315,000	2,374,800	2,491,884	117,084
	Other	190,000	269,500	162,152	(107,348)
	Total taxes	31,915,700	32,537,300	33,297,835	760,535
	Licenses and permits				
	Building	425,000	425,000	471,531	46,531
	Vocational	141,100	141,100	104,517	(36,583)
	Other	140,000	140,000	146,648	6,648
	Total licenses & permits	706,100	706,100	722,696	16,596
	Intergovernmental				
	Local school districts	293,600	293,600	154,569	(139,031)
	Other	175,300	363,300	460,097	96,797
	Total intergovernmental	468,900	656,900	614,666	(42,234)
	Fees and charges:				
	Sanitation	2,843,000	2,910,100	2,861,932	(48,168)
	Brush	1,184,000	1,219,800	1,182,051	(37,749)
	Other	1,399,600	1,616,600	1,473,662	(142,938)
	Total fees & charges	5,426,600	5,746,500	5,517,645	(228,855)
	Fines				
	Court	1,493,500	1,041,100	1,012,347	(28,753)
	Other	57,000	57,000	55,548	(1,452)
	Total fines	1,550,500	1,098,100	1,067,895	(30,205)
	Interest income	75,600	166,400	281,309	114,909
	Other	349,200	589,200	783,545	194,345
	Total revenues	\$ 40,492,600	\$ 41,500,500	42,285,591	\$ 785,091

CITY OF PHARR, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - Continued
FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXPENDITURES		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
Current:					
General government					
City manager		1,347,700	1,410,700	1,386,722	23,978
Finance		646,700	690,200	664,074	26,126
Purchasing		248,900	270,200	232,171	38,029
IT		1,471,400	1,421,400	1,104,900	316,500
Media		310,900	311,200	254,393	56,807
Grants		-	203,800	240,477	(36,677)
Human Resources		554,400	564,400	491,111	73,289
Development Services		2,348,000	2,389,800	2,058,738	331,062
Engineering		584,600	586,300	550,132	36,168
Non-departmental		4,684,200	4,537,800	4,592,846	(55,046)
Total general government		12,196,800	12,385,800	11,575,564	810,236
Public safety					
Police		14,591,300	15,477,100	14,894,073	583,027
Court		549,900	551,800	572,735	(20,935)
Fire		6,519,600	6,419,300	6,074,725	344,575
Communications		1,184,500	1,338,200	1,281,282	
Total public safety		22,845,300	23,786,400	22,822,815	906,667
Highways and streets		4,244,700	4,242,200	4,071,112	171,088
Health and welfare					
Sanitation		1,910,000	1,910,000	1,928,986	(18,986)
Brush		675,000	675,000	694,218	(19,218)
Animal control		150,000	250,000	230,008	19,992
Total health and welfare		2,735,000	2,835,000	2,853,212	(18,212)
Culture and recreation					
Library		1,361,900	1,367,000	1,197,113	169,887
Parks		4,805,600	4,975,700	4,038,015	937,685
Total culture and recreation		6,167,500	6,342,700	5,235,128	1,107,572
Debt service:					
Principal		1,318,200	1,318,200	1,371,606	(53,406)
Interest		103,100	103,100	97,919	5,181
		1,421,300	1,421,300	1,469,525	(48,225)
Total expenditures		49,610,600	51,013,400	48,027,356	2,929,126
Excess (deficiency) of revenues over (under) expenditures		(9,118,000)	(9,512,900)	(5,741,765)	(2,144,035)

CITY OF PHARR, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - Continued
FOR THE YEAR ENDED SEPTEMBER 30, 2018

OTHER FINANCING SOURCES (USES)	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
Transfers in				
Parkland	-	-	-	-
Utility	565,500	565,500	565,500	-
Bridge	9,836,300	6,539,200	6,539,200	-
Hotel	60,000	60,000	60,000	-
Asset Sharing	-	367,000	367,000	-
PEDC	782,000	290,000	495,000	205,000
PHFC	200,000	200,000	-	(200,000)
Total transfers in	11,443,800	8,021,700	8,026,700	5,000
Transfers (out)				
Seized Assets	-	-	-	-
Community Development	(152,900)	(532,000)	(818,572)	(286,572)
Capital Improvement Project	(14,396,000)	(19,230,600)	(19,389,979)	(159,379)
Debt Service	(626,700)	(626,700)	(626,700)	-
Golf	(439,200)	(439,200)	(439,200)	-
TIRZ No. 1	(211,500)	(211,500)	(211,500)	-
TIRZ No. 2	(347,700)	(347,700)	(347,700)	-
PEDC	(1,161,100)	(1,361,100)	(1,161,100)	200,000
Total transfers (out)	(17,335,100)	(22,748,800)	(22,994,751)	(245,951)
Cost of Issuance	-	-	(306,385)	306,385
Bond/loan proceeds	13,920,200	21,654,800	19,678,700	1,976,100
Premium	-	-	2,297,189	(2,297,189)
Total	13,920,200	21,654,800	21,669,504	(14,704)
Total other financing sources and uses	8,028,900	6,927,700	6,701,453	(255,655)
Net change in fund balance	(1,089,100)	(2,585,200)	959,688	3,544,888
Fund balance - beginning	-	-	22,754,602	22,754,602
Prior period adjustment	-	-	147,907	147,907
Fund balance - ending	\$ (1,089,100)	\$ (2,585,200)	\$ 23,862,197	\$ 26,447,397

CITY OF PHARR, TEXAS
ASSET SHARING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
REVENUES				Basis	Budget Basis
Taxes:					
Intergovernmental	\$	70,000	\$ 70,000	\$ 282,724	\$ 212,724
Interest income		2,000	2,000	7,195	5,195
Total revenues		72,000	72,000	289,919	217,919
EXPENDITURES					
Current:					
Public safety		685,000	685,000	51,080	633,920
Total expenditures		685,000	685,000	51,080	633,920
Excess (deficiency) of revenues over (under) expenditures		(613,000)	(613,000)	238,839	(416,001)
OTHER FINANCING SOURCES (USES)					
Transfers in		-	-	-	-
Transfers out		-	-	(367,000)	(367,000)
Bond/loan proceeds		-	-	-	-
Total other financing sources and uses		-	-	(367,000)	(367,000)
Net change in fund balance		(613,000)	(613,000)	(128,161)	(783,001)
Fund balance - beginning		579,191	579,191	579,191	-
Fund balance - ending	\$	(33,809)	\$ (33,809)	\$ 453,226	\$ (783,001)

CITY OF PHARR, TEXAS
CDBG
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual	Final
	Original	Final	Budget	Variance
			Basis	Budget Basis
REVENUES				
Intergovernmental	\$ 1,401,700	\$ 1,401,700	\$ 1,224,632	\$ (177,068)
Interest income	-	-	2,673	2,673
Other	-	-	630	630
Total revenues	<u>1,401,700</u>	<u>1,401,700</u>	<u>1,227,935</u>	<u>(173,765)</u>
EXPENDITURES				
Current:				
General government	1,006,900	1,372,200	1,047,917	324,283
Public Safety	5,000	5,000	5,784	(784)
Highways and streets	25,000	25,000	9,831	15,169
Culture and recreation	105,000	105,000	89,421	15,579
Debt service:				
Principal	295,000	295,000	295,000	-
Interest	117,700	117,700	117,676	24
Total expenditures	<u>1,554,600</u>	<u>1,919,900</u>	<u>1,565,629</u>	<u>354,271</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(152,900)</u>	<u>(518,200)</u>	<u>(337,694)</u>	<u>(528,036)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	152,900	518,200	818,572	300,372
Transfers out	-	-	-	-
Bond/loan proceeds	-	-	-	-
Total other financing sources and uses	<u>152,900</u>	<u>518,200</u>	<u>818,572</u>	<u>300,372</u>
Net change in fund balance	-	-	480,878	(227,664)
Fund balance - beginning	33,951	33,951	33,951	-
Prior Year Adjustment	-	-	(552.00)	
Fund balance - ending	\$ <u>33,951</u>	<u>33,951</u>	<u>514,277</u>	\$ <u>(227,664)</u>

CITY OF PHARR, TEXAS
HOTEL/MOTEL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
				Basis	Budget Basis
REVENUES					
Taxes:					
Other	\$	669,200	669,200	685,987	\$ 16,787
Interest income		-	-	8,344	8,344
Other		-	-	32,433	32,433
Total revenues		<u>669,200</u>	<u>669,200</u>	<u>726,764</u>	<u>57,564</u>
EXPENDITURES					
Current:					
Culture and recreation		142,200	142,200	102,738	39,462
Total expenditures		<u>142,200</u>	<u>142,200</u>	<u>102,738</u>	<u>39,462</u>
Excess (deficiency) of revenues over (under) expenditures		<u>527,000</u>	<u>527,000</u>	<u>624,026</u>	<u>18,102</u>
OTHER FINANCING SOURCES (USES)					
Transfers out		(527,000)	(877,000)	(877,000)	-
Total other financing sources and uses		<u>(527,000)</u>	<u>(877,000)</u>	<u>(877,000)</u>	<u>-</u>
Net change in fund balance		-	(350,000)	(252,974)	18,102
Fund balance - beginning		1,692,602	1,692,602	1,692,602	-
Prior period adjustment		-	-	-	-
Fund balance - ending	\$	<u>1,692,602</u>	<u>\$ 1,342,602</u>	<u>\$ 1,439,628</u>	<u>\$ 18,102</u>

CITY OF PHARR, TEXAS
PARKLAND DEDICATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
REVENUES				
Fees and charges:				
Other	\$ 30,000	\$ 30,000	\$ 156,003	\$ 126,003
Interest income	200	200	4,039	3,839
Total revenues	<u>30,200</u>	<u>30,200</u>	<u>160,042</u>	<u>129,842</u>
EXPENDITURES				
Current:				
Highways and streets	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>30,200</u>	<u>30,200</u>	<u>160,042</u>	<u>129,842</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Bond/loan proceeds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	30,200	30,200	160,042	129,842
Fund balance - beginning	84,741	84,741	84,741	-
Fund balance - ending	<u>\$ 114,941</u>	<u>114,941</u>	<u>\$ 244,783</u>	<u>\$ 129,842</u>

CITY OF PHARR, TEXAS
PAVING AND DRAINAGE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Taxes:					
Other		\$ 1,020,000	\$ 1,020,000	\$ 1,044,299	\$ 24,299
Interest income		-	-	19,499	19,499
Total revenues		<u>1,020,000</u>	<u>1,020,000</u>	<u>1,063,798</u>	<u>43,798</u>
EXPENDITURES					
Highways and streets		-	-	284	(284)
Total expenditures		<u>-</u>	<u>-</u>	<u>284</u>	<u>(284)</u>
Excess (deficiency) of revenues over (under) expenditures		<u>1,020,000</u>	<u>1,020,000</u>	<u>1,063,514</u>	<u>44,082</u>
OTHER FINANCING SOURCES (USES)					
Transfers out		(1,020,000)	(850,000)	(850,000)	-
Total other financing sources and uses		<u>(1,020,000)</u>	<u>(850,000)</u>	<u>(850,000)</u>	<u>-</u>
Net change in fund balance		-	170,000	213,514	44,082
Fund balance - beginning		462,676	462,676	462,676	-
Fund balance - ending		<u>\$ 462,676</u>	<u>\$ 632,676</u>	<u>\$ 676,190</u>	<u>\$ 44,082</u>

-

CITY OF PHARR, TEXAS
GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Intergovernmental	\$	3,376,900	3,376,900	1,535,484	\$ (1,841,416)
Other			-	-	-
Total revenues		<u>3,376,900</u>	<u>3,376,900</u>	<u>1,535,484</u>	<u>(1,841,416)</u>
EXPENDITURES					
Current:					
Public safety		1,590,900	1,590,900	850,218	740,682
Health and welfare		-	-	-	-
Culture and recreation		1,786,000	1,786,000	207,722	1,578,278
Total expenditures		<u>3,376,900</u>	<u>3,376,900</u>	<u>1,057,940</u>	<u>2,318,960</u>
Excess (deficiency) of revenues over (under) expenditures		<u>-</u>	<u>-</u>	<u>477,544</u>	<u>477,544</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		-	-	-	-
(Transfers out)		<u>-</u>	<u>-</u>	<u>(477,544)</u>	<u>(477,544)</u>
Total other financing sources and uses		<u>-</u>	<u>-</u>	<u>(477,544)</u>	<u>(477,544)</u>
Net change in fund balance		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - beginning		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	\$	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

CITY OF PHARR, TEXAS
GENERAL CAPITAL IMPROVEMENTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
REVENUES				Basis	Budget Basis
Taxes:					
Intergovernmental		\$ 500,000	\$ 500,000	\$ 400,000	\$ (100,000)
	Total revenues	<u>500,000</u>	<u>500,000</u>	<u>400,000</u>	<u>(100,000)</u>
EXPENDITURES					
Current:					
General government		5,000,000	5,446,100	3,760,451	1,685,649
Public safety		1,900,000	5,900,000	2,873,036	3,026,964
Highways and streets		9,450,000	12,600,000	4,682,968	7,917,032
Culture and recreation		10,980,000	15,620,000	6,618,233	9,001,767
Debt Service					
Principal		-	-	689,391	(689,391)
Interest		-	-	216,696	(216,696)
	Total expenditures	<u>27,330,000</u>	<u>39,566,100</u>	<u>18,840,775</u>	<u>20,725,325</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(26,830,000)</u>	<u>(39,066,100)</u>	<u>(18,440,775)</u>	<u>(20,825,325)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		19,989,000	-	22,787,522	22,787,522
Transfers (out)		-	-	(2,240,000)	2,240,000
Proceeds from sale of assets		-	-	-	-
Issuance of debt		-	26,516,100	7,300,000	19,216,100
	Total other financing sources and uses	<u>19,989,000</u>	<u>26,516,100</u>	<u>27,847,522</u>	<u>44,243,622</u>
Net change in fund balance		<u>(6,841,000)</u>	<u>(12,550,000)</u>	<u>9,406,747</u>	<u>23,418,297</u>
Fund balance - beginning		15,690,296	15,690,296	15,690,296	-
Prior period adjustment		<u>-</u>	<u>-</u>	<u>(132,139)</u>	<u>(132,139)</u>
Fund balance - ending		\$ <u>8,849,296</u>	\$ <u>3,140,296</u>	\$ <u>24,964,904</u>	\$ <u>23,286,158</u>

Proprietary Funds

Schedule of Revenues, Expenses and Changes in Net Position- Budget and Actual

CITY OF PHARR, TEXAS
UTILITY FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Water Sales	\$ 7,720,000	\$ 7,720,000	\$ 7,834,914	\$ 114,914
Sewer Fees	5,670,000	5,670,000	5,698,208	28,208
Tap Fees	461,000	461,000	293,635	(167,365)
Other	107,000	107,000	125,711	18,711
Total operating revenues	<u>13,958,000</u>	<u>13,958,000</u>	<u>13,952,468</u>	<u>(5,532)</u>
OPERATING EXPENSES				
Personnel services	3,689,800	3,685,300	3,152,671	532,629
Supplies and Materials	1,567,900	1,509,875	1,461,828	48,047
Contractual Services	5,536,600	5,599,125	3,040,153	2,558,972
Depreciation	-	-	4,585,007	(4,585,007)
Total operating expenses	<u>10,794,300</u>	<u>10,794,300</u>	<u>12,239,659</u>	<u>(1,445,359)</u>
Operating income (loss)	<u>3,163,700</u>	<u>3,163,700</u>	<u>1,712,809</u>	<u>(1,450,891)</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	20,000	20,000	148,474	128,474
Interest expense	(1,409,400)	(1,409,400)	(1,412,926)	(3,526)
Amortization expense	-	-	332,847	332,847
Other	-	-	1,167	1,167
Total nonoperating revenues/				
(expenses)	<u>(1,389,400)</u>	<u>(1,389,400)</u>	<u>(930,438)</u>	<u>458,962</u>
Income before contributions				
and transfers	<u>1,774,300</u>	<u>1,774,300</u>	<u>782,371</u>	<u>(991,929)</u>
Transfers in	-	-	-	-
Transfers (out)	(565,500)	(565,500)	(565,500)	-
Capital Contributions	-	-	2,775,865	2,775,865
Changes in net position	1,208,800	1,208,800	2,992,736	1,783,936
Total net position - beginning	87,890,591	87,890,591	87,890,591	-
Prior period adjustment	<u>134,776</u>	<u>134,776</u>	<u>134,776</u>	<u>-</u>
Total net position - ending	<u>\$ 89,234,167</u>	<u>\$ 89,234,167</u>	<u>\$ 91,018,103</u>	<u>\$ 1,783,936</u>

CITY OF PHARR, TEXAS
EVENT CENTER FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Other	\$ 380,000	\$ 380,000	\$ 340,926	\$ (39,074)
Total operating revenues	<u>380,000</u>	<u>380,000</u>	<u>340,926</u>	<u>(39,074)</u>
OPERATING EXPENSES				
Personnel services	464,800	464,800	403,301	61,499
Supplies and Materials	128,000	129,600	121,903	7,697
Contractual Services	185,800	190,200	149,522	40,678
Depreciation	-	-	93,363	(93,363)
Total operating expenses	<u>778,600</u>	<u>784,600</u>	<u>768,089</u>	<u>16,511</u>
Operating income (loss)	<u>(398,600)</u>	<u>(404,600)</u>	<u>(427,163)</u>	<u>(22,563)</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	-	-	1,656	1,656
Interest expense	-	-	-	-
Amortization expense	-	-	-	-
Other	-	-	-	-
Total nonoperating revenues/ (expenses)	<u>-</u>	<u>-</u>	<u>1,656</u>	<u>1,656</u>
Income before contributions and transfers	<u>(398,600)</u>	<u>(404,600)</u>	<u>(425,507)</u>	<u>(20,907)</u>
Transfers in	398,600	398,600	398,599	(1)
Transfers (out)	-	-	-	-
Capital Contributions	-	-	-	-
Changes in net position	-	(6,000)	(26,908)	(20,908)
Total net position - beginning	3,730,982	3,730,982	3,730,982	-
Prior period adjustment	<u>(4,860)</u>	<u>(4,860)</u>	<u>(4,860)</u>	<u>-</u>
Total net position - ending	<u>\$ 3,726,122</u>	<u>\$ 3,720,122</u>	<u>\$ 3,699,214</u>	<u>\$ (20,908)</u>

CITY OF PHARR, TEXAS
BRIDGE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Toll Fees	\$ 13,200,000	\$ 13,200,000	\$ 13,675,346	\$ 475,346
Other	282,600	282,600	302,586	19,986
Total operating revenues	<u>13,482,600</u>	<u>13,482,600</u>	<u>13,977,932</u>	<u>495,332</u>
OPERATING EXPENSES				
Personnel services	1,208,200	1,241,700	1,061,295	180,405
Supplies and Materials	2,603,800	2,774,800	166,135	2,608,665
Contractual Services	1,315,100	2,196,700	1,887,524	309,176
Depreciation	-	-	768,429	(768,429)
Total operating expenses	<u>5,127,100</u>	<u>6,213,200</u>	<u>3,883,383</u>	<u>2,329,817</u>
Operating income (loss)	<u>8,355,500</u>	<u>7,269,400</u>	<u>10,094,549</u>	<u>2,825,149</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	28,000	28,000	96,427	68,427
Interest expense	(141,000)	(141,000)	(185,543)	(44,543)
Amortization expense	-	-	31,811	31,811
Other	-	-	-	-
Total nonoperating revenues/ (expenses)	<u>(113,000)</u>	<u>(113,000)</u>	<u>(57,305)</u>	<u>55,695</u>
Income before contributions and transfers	<u>8,242,500</u>	<u>7,156,400</u>	<u>10,037,244</u>	<u>2,880,844</u>
Transfers in	-	-	520,000	520,000
Transfers (out)	(9,618,200)	(10,039,200)	(9,237,527)	801,673
Capital Contributions	-	-	-	-
Changes in net position	(1,375,700)	(2,882,800)	1,319,717	4,202,517
Total net position - beginning	19,305,121	19,305,121	19,305,121	-
Prior period adjustment	104,968	104,968	104,968	-
Total net position - ending	<u>\$ 18,034,389</u>	<u>\$ 16,527,289</u>	<u>\$ 20,729,806</u>	<u>\$ 4,202,517</u>

CITY OF PHARR, TEXAS
GOLF FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
OPERATING REVENUES				
Charges for sales and services:				
Golf Services	\$ 762,800	\$ 762,800	\$ 699,330	\$ (63,470)
Other	127,200	127,200	102,066	(25,134)
Total operating revenues	<u>890,000</u>	<u>890,000</u>	<u>801,396</u>	<u>(88,604)</u>
OPERATING EXPENSES				
Personnel services	862,800	844,100	717,411	126,689
Supplies and Materials	216,400	215,350	224,790	(9,440)
Contractual Services	464,200	443,950	208,984	234,966
Depreciation	-	-	247,668	(247,668)
Total operating expenses	<u>1,543,400</u>	<u>1,503,400</u>	<u>1,398,853</u>	<u>104,547</u>
Operating income (loss)	<u>(653,400)</u>	<u>(613,400)</u>	<u>(597,457)</u>	<u>15,943</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	1,400	1,400	12,852	11,452
Interest expense	(17,200)	(57,200)	(15,892)	41,308
Amortization expense	-	-	-	-
Other	-	-	2,861	2,861
Total nonoperating revenues/ (expenses)	<u>(15,800)</u>	<u>(55,800)</u>	<u>(179)</u>	<u>55,621</u>
Income before contributions and transfers	<u>(669,200)</u>	<u>(669,200)</u>	<u>(597,636)</u>	<u>71,564</u>
Transfers in	439,200	439,200	439,200	-
Transfers (out)	-	-	-	-
Capital Contributions	-	-	-	-
Changes in net position	(230,000)	(230,000)	(158,436)	71,564
Total net position - beginning	3,928,545	3,928,545	3,928,545	-
Prior period adjustment	-	-	-	-
Total net position - ending	<u>\$ 3,698,545</u>	<u>\$ 3,698,545</u>	<u>\$ 3,770,109</u>	<u>\$ 71,564</u>

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COMBINING FINANCIAL STATEMENTS

INTERNAL SERVICE FUND

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments within the City on a cost-reimbursed basis.

City Garage Fund—This fund is used to account for fleet maintenance and maintains an inventory of parts for the City-owned vehicles.

CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2018

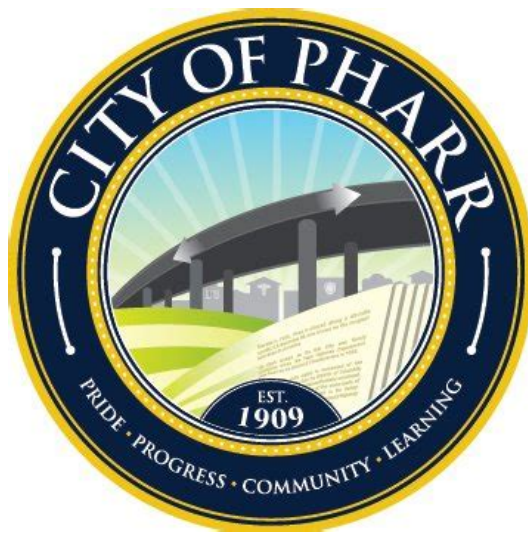
	<u>City Garage</u>
<u>ASSETS</u>	
Current assets:	
Cash	\$ 59,602
Inventories	61,416
Restricted assets:	
Cash with Fiscal Agent	-
Total current assets	<u>121,018</u>
Noncurrent assets:	
Capital assets (net of accumulated: depreciation):	
Buildings	365,017
Improvements other than buildings	2,031
Machinery and equipment	<u>11,598</u>
Total capital assets, net of accumulated depreciation	<u>378,646</u>
Total noncurrent assets	<u>378,646</u>
Total assets	<u>499,664</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	30,769
Due to other funds	<u>19,987</u>
Total current liabilities	<u>50,756</u>
Current liabilities payable from restricted assets:	
Matured accrued compensation	8,690
Matured capital lease	<u>7,791</u>
Total current liabilities payable from restricted assets	<u>16,481</u>
Noncurrent liabilities:	
Accrued compensation	26,069
Capital lease payable	<u>10,603</u>
Total noncurrent liabilities	<u>36,672</u>
Total liabilities	<u>103,909</u>
<u>NET POSITION</u>	
Net assets:	
Invested in capital assets, net of related debt	370,855
Unrestricted	<u>24,900</u>
Total net position	<u>\$ 395,755</u>

CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	<u>City Garage</u>
Operating revenues:	
Charges for sales and services:	685,928
Other	\$ -
Total operating revenues	<u>685,928</u>
Operating expenses:	
Personnel services	181,955
Supplies and Materials	-
Contractual Services	474,064
Depreciation	<u>37,036</u>
Total operating expenses	<u>693,055</u>
Operating income (loss)	<u>(7,127)</u>
Nonoperating revenues (expenses):	
Interest expense	<u>(562)</u>
Total nonoperating revenues (expenses)	<u>(562)</u>
Income before contributions and transfers	(7,689)
Transfers in	-
Transfers out	-
Changes in net position	<u>(7,689)</u>
Total net position- beginning	403,444
Prior period adjustment	-
Total net position - ending	<u>\$ 395,755</u>
	-

CITY OF PHARR, TEXAS
INTERNAL SERVICE FUND-CITY GARAGE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2018

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
OPERATING REVENUES				
Charges for sales and services:				
Other	\$ 860,600	\$ 860,600	\$ 685,928	\$ (174,672)
Total operating revenues	<u>860,600</u>	<u>860,600</u>	<u>685,928</u>	<u>(174,672)</u>
OPERATING EXPENSES				
Personnel services	231,300	231,300	181,955	49,345
Supplies and Materials	26,500	26,500	-	26,500
Contractual Services	594,700	594,700	474,064	120,636
Depreciation	8,100	8,100	37,036	(28,936)
Total operating expenses	<u>860,600</u>	<u>860,600</u>	<u>693,055</u>	<u>167,545</u>
Operating income (loss)	<u>-</u>	<u>-</u>	<u>(7,127)</u>	<u>(7,127)</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	-	-	-	-
Interest expense	-	-	(562)	(562)
Amortization expense	-	-	-	-
Other	-	-	-	-
Total nonoperating revenues/ (expenses)	<u>-</u>	<u>-</u>	<u>(562)</u>	<u>(562)</u>
Income before contributions and transfers	<u>-</u>	<u>-</u>	<u>(7,689)</u>	<u>(7,689)</u>
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Capital Contributions	-	-	-	-
Changes in net position	-	-	(7,689)	(7,689)
Total net position - beginning	403,443	403,443	403,443	-
Prior period adjustment	-	-	-	-
Total net position - ending	<u>\$ 403,443</u>	<u>\$ 403,443</u>	<u>\$ 395,754</u>	<u>\$ (7,689)</u>



STATISTICAL SECTION

This part of the City of Pharr's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City of Pharr's overall financial health.

	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	-111-
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	-116-
Debt Capacity	
These schedules present information to help the reader assess the afford-ability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	-120-
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place	-125-
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	-128-

City of Pharr, Texas
Net Position by Component
Last Ten Fiscal Years¹
(Accrual Basis of Accounting)
(amount expressed in thousands)

	Fiscal Year									
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental activities										
Net Invested in capital assets	\$ 50,764	\$ 53,417	\$ 36,205	\$ 36,205	\$ 39,362	\$ 64,274	\$ 62,451	\$ 69,610	\$ 76,686	\$ 72,654
Restricted	7,904	5,234	7,159	23,652	35,796	15,012	18,454	23,585	21,655	31,783
Unrestricted	<u>13,275</u>	<u>18,999</u>	<u>16,463</u>	<u>18,274</u>	<u>8,032</u>	<u>8,951</u>	<u>1,170</u>	<u>2,224</u>	<u>5,954</u>	<u>7,129</u>
Total governmental activities net position	<u>\$ 71,943</u>	<u>\$ 77,650</u>	<u>\$ 59,827</u>	<u>\$ 78,131</u>	<u>\$ 83,190</u>	<u>\$ 88,237</u>	<u>\$ 82,075</u>	<u>\$ 95,420</u>	<u>\$ 104,295</u>	<u>\$ 111,566</u>
Business-type activities										
Net Invested in capital assets	\$ 78,359	\$ 82,609	\$ 82,300	\$ 82,757	\$ 86,011	\$ 85,304	\$ 88,401	\$ 91,942	\$ 95,760	\$ 98,709
Restricted	7,759	7,375	10,195	8,529	21,394	18,996	19,603	16,647	13,158	10,459
Unrestricted	<u>2,572</u>	<u>9,691</u>	<u>12,435</u>	<u>15,940</u>	<u>6,013</u>	<u>10,276</u>	<u>10,280</u>	<u>5,994</u>	<u>5,938</u>	<u>10,049</u>
Total business-type activities net position	<u>\$ 88,690</u>	<u>\$ 99,675</u>	<u>\$ 104,930</u>	<u>\$ 107,226</u>	<u>\$ 113,418</u>	<u>\$ 114,576</u>	<u>\$ 118,283</u>	<u>\$ 114,583</u>	<u>\$ 114,855</u>	<u>\$ 119,217</u>
Primary government										
Net Invested in capital assets	\$ 129,123	\$ 136,026	\$ 118,505	\$ 118,962	\$ 125,374	\$ 149,577	\$ 150,852	\$ 161,552	\$ 172,445	\$ 171,363
Restricted	15,663	12,609	17,354	32,181	57,191	34,008	38,056	40,232	34,813	42,242
Unrestricted	<u>15,847</u>	<u>28,690</u>	<u>28,898</u>	<u>34,214</u>	<u>14,044</u>	<u>19,227</u>	<u>11,450</u>	<u>8,218</u>	<u>11,892</u>	<u>17,178</u>
Total primary government net position	<u>\$ 160,633</u>	<u>\$ 177,325</u>	<u>\$ 164,757</u>	<u>\$ 185,357</u>	<u>\$ 196,609</u>	<u>\$ 202,813</u>	<u>\$ 200,358</u>	<u>\$ 210,002</u>	<u>\$ 219,150</u>	<u>\$ 230,783</u>

City of Pharr, Texas
Changes in Net Position
Last Ten Fiscal Years¹
(Accrual Basis of Accounting)
(amount expressed in thousands)

Expenses	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities:										
General government	\$ 7,594	\$ 8,061	\$ 10,917	\$ 16,251	\$ 9,970	\$ 12,144	\$ 11,091	\$ 12,359	\$ 12,265	\$ 16,369
Public safety	19,177	19,775	21,546	22,427	22,700	21,355	20,581	20,175	25,261	23,813
Streets	2,268	3,102	3,757	4,490	5,330	4,903	7,826	7,834	8,748	1,481
Sanitation	2,312	2,008	2,749	2,699	1,880	2,867	2,636	1,518	647	3,014
Culture and recreation	3,563	3,890	3,239	4,133	4,306	6,155	5,530	5,790	5,358	5,607
Economic development	-	-	-	-	8,085	2,590	1,679	3,119	3,445	5,467
Debt service	1,041	885	736	1,293	1,926	1,800	1,629	1,182	1,810	2,192
Total governmental activities expenses	<u>35,955</u>	<u>37,721</u>	<u>42,944</u>	<u>51,293</u>	<u>54,196</u>	<u>51,814</u>	<u>50,973</u>	<u>51,978</u>	<u>57,535</u>	<u>57,943</u>
Business-type activities:										
Utility	9,125	9,140	10,382	11,829	12,241	13,619	14,069	13,981	14,908	13,319
Pharr Event Center	-	-	-	-	-	-	727	808	776	769
Toll Bridge	2,975	3,428	3,082	3,137	3,413	4,822	3,905	3,725	3,768	4,037
Tierra Del Sol Golf Course	1,047	1,035	1,236	1,110	1,279	1,394	1,428	1,338	1,337	1,415
Total business-type activities expenses	<u>13,147</u>	<u>13,603</u>	<u>14,700</u>	<u>16,076</u>	<u>16,933</u>	<u>19,836</u>	<u>20,128</u>	<u>19,851</u>	<u>20,788</u>	<u>19,540</u>
Total primary government expenses	<u>\$ 49,102</u>	<u>\$ 51,324</u>	<u>\$ 57,644</u>	<u>\$ 67,369</u>	<u>\$ 71,128</u>	<u>\$ 71,650</u>	<u>\$ 71,101</u>	<u>\$ 71,829</u>	<u>\$ 78,323</u>	<u>\$ 77,483</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,970	\$ 1,734	\$ 1,962	\$ 2,014	\$ 1,980	\$ 1,646	\$ 1,431	\$ 2,074	\$ 1,989	\$ 4,210
Public Safety	3,841	999	1,184	1,180	1,210	1,355	1,607	2,953	2,576	-
Streets	3	1,093	782	807	878	859	1,008	1,026	1,048	472
Sanitation	3,256	3,347	3,560	3,585	3,658	3,825	3,924	4,018	4,079	4,095
Culture and recreation	131	128	257	665	579	1,629	582	409	436	390
Economic development	-	-	-	-	-	648	-	-	1,610	-
Debt service	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	2,448	4,227	3,451	6,221	9,493	3,132	2,568	3,289	3,784	1,014
Capital grants and contributions	256	508	25	59	1,111	1,435	1,477	222	59	2,170
Total governmental activities program revenues	<u>11,905</u>	<u>12,036</u>	<u>11,221</u>	<u>14,531</u>	<u>18,910</u>	<u>14,529</u>	<u>12,597</u>	<u>13,991</u>	<u>15,580</u>	<u>12,351</u>
Business-type activities:										
Charges for services:										
Utility	12,461	11,892	13,553	13,814	13,977	13,670	12,980	13,751	14,462	13,952
Pharr Event Center	-	-	-	-	-	-	434	617	518	341
Toll Bridge	9,301	10,660	10,415	11,002	11,915	12,572	12,781	13,438	13,905	13,978
Tierra Del Sol Golf Course	856	805	812	776	597	786	781	810	876	801
Operating grants and contributions	-	-	-	17	314	-	-	1,812	-	-
Capital grants and contributions	13,899	2,512	548	316	1,686	919	3,339	842	2,300	2,776
Total business-type activities program revenues	<u>36,517</u>	<u>25,869</u>	<u>25,328</u>	<u>25,926</u>	<u>28,489</u>	<u>27,948</u>	<u>30,315</u>	<u>31,270</u>	<u>32,061</u>	<u>31,848</u>
Total primary government program revenues	<u>\$ 48,422</u>	<u>\$ 37,905</u>	<u>\$ 36,549</u>	<u>\$ 40,456</u>	<u>\$ 47,398</u>	<u>\$ 42,477</u>	<u>\$ 42,912</u>	<u>\$ 45,261</u>	<u>\$ 47,641</u>	<u>\$ 44,199</u>

Net (expense)/revenue											
Governmental activities	\$ (24,050)	\$ (25,685)	\$ (31,723)	\$ (36,762)	\$ (35,286)	\$ (37,286)	\$ (38,375)	\$ (37,987)	\$ (41,955)	\$ (46,807)	
Business-type activities	<u>23,370</u>	<u>12,266</u>	<u>10,628</u>	<u>9,850</u>	<u>11,556</u>	<u>8,112</u>	<u>10,186</u>	<u>11,419</u>	<u>11,273</u>	<u>12,308</u>	
Total primary government net expense	<u>\$ (680)</u>	<u>\$ (13,419)</u>	<u>\$ (21,095)</u>	<u>\$ (26,913)</u>	<u>\$ (23,730)</u>	<u>\$ (29,174)</u>	<u>\$ (28,189)</u>	<u>\$ (26,568)</u>	<u>\$ (30,681)</u>	<u>\$ (34,499)</u>	
General Revenues and Other Changes in Net Assets											
Governmental activities:											
Taxes											
Property taxes	\$ 14,900	\$ 15,265	\$ 14,984	\$ 15,221	\$ 15,186	\$ 15,812	\$ 16,728	\$ 17,186	\$ 17,875	\$ 19,688	
Sales taxes	10,558	10,289	11,838	12,801	13,079	14,557	16,311	16,781	17,082	19,376	
Other Taxes	2,807	3,152	2,844	2,232	3,129	3,129	3,605	3,457	3,565	5,534	
Investment earnings	296	361	440	415	473	401	314	89	241	417	
Grants, Donations, and Miscellaneous	458	105	763	1,048	421	198	-	1,763	1,546	721	
Transfers	<u>3,182</u>	<u>1,841</u>	<u>7,214</u>	<u>6,702</u>	<u>6,317</u>	<u>7,682</u>	<u>10,758</u>	<u>11,300</u>	<u>11,175</u>	<u>8,445</u>	
Total governmental activities	<u>32,201</u>	<u>31,013</u>	<u>38,083</u>	<u>38,420</u>	<u>38,605</u>	<u>41,780</u>	<u>47,717</u>	<u>50,576</u>	<u>51,484</u>	<u>54,181</u>	
Business-type activities:											
Investment earnings	877	1,008	795	705	848	848	486	67	112	259	
Grants, Donations, and Miscellaneous	107	131	135	22	21	21	65	7	30	5	
Water Relief Program								(3,750)	-	-	
Transfers	<u>(3,182)</u>	<u>(1,841)</u>	<u>-</u>	<u>(6,702)</u>	<u>(6,466)</u>	<u>(7,849)</u>	<u>(11,020)</u>	<u>(11,683)</u>	<u>(11,175)</u>	<u>(8,445)</u>	
Total business-type activities	<u>(2,198)</u>	<u>(702)</u>	<u>930</u>	<u>(5,975)</u>	<u>(5,598)</u>	<u>(6,981)</u>	<u>(10,469)</u>	<u>(15,359)</u>	<u>(11,033)</u>	<u>(8,181)</u>	
Total primary government	<u>\$ 30,003</u>	<u>\$ 30,311</u>	<u>\$ 39,013</u>	<u>\$ 32,445</u>	<u>\$ 33,008</u>	<u>\$ 34,799</u>	<u>\$ 37,248</u>	<u>\$ 35,217</u>	<u>\$ 40,451</u>	<u>\$ 46,000</u>	
Change in Net Position											
Governmental activities	\$ 8,151	\$ 5,328	\$ 6,360	\$ 1,658	\$ 3,320	\$ 4,494	\$ 9,342	\$ 12,589	\$ 9,530	\$ 7,374	
Business-type activities	<u>21,172</u>	<u>11,564</u>	<u>4,344</u>	<u>3,875</u>	<u>5,958</u>	<u>1,131</u>	<u>(283)</u>	<u>(3,940)</u>	<u>240</u>	<u>4,127</u>	
Total primary government	<u>\$ 29,323</u>	<u>\$ 16,892</u>	<u>\$ 10,704</u>	<u>\$ 5,532</u>	<u>\$ 9,278</u>	<u>\$ 5,625</u>	<u>\$ 9,059</u>	<u>\$ 8,649</u>	<u>\$ 9,770</u>	<u>\$ 11,501</u>	

City of Pharr, Texas
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(amount expressed in thousands)

	Fiscal Year									
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund										
Reserved, Nonspendable, Restricted	\$ 102	\$ 231	\$ 3,354	\$ 20,807	\$ 10,752	\$ 12,879	\$ 12,841	\$ 13,573	\$ 16,422	\$ 12,634
Unreserved, undesignated, unassigned	8,338	14,901	5,809	748	3,593	219	794	5,839	6,333	3,218
Designated, Committed, Assigned	-	-	8,054	9,046	-	-	-	-	-	8,010
Total general fund	<u>\$ 8,440</u>	<u>\$ 15,132</u>	<u>\$ 17,217</u>	<u>\$ 30,601</u>	<u>\$ 14,346</u>	<u>\$ 13,098</u>	<u>\$ 13,636</u>	<u>\$ 19,413</u>	<u>\$ 22,755</u>	<u>\$ 23,862</u>
 All other governmental funds										
Reserved, Nonspendable,	\$ 6,407	\$ 2,501	\$ -	\$ (1,611)	\$ 1,212	\$ 1,677	\$ 2,405	\$ 3,052	\$ 3,145	\$ 3,074
Restricted, reported in:						-				
Special revenue funds	-	-	387	1,339	-	-	-	-	-	4,066
Debt service fund	-	-	63	20	-	-	-	-	-	-
Economic Development fund	-	-	3,197	3,085	20,014	23,094	12,169	12,816	12,869	3,320
Unreserved, unassigned, reported in:										
Special revenue funds	1,333	1,086	(2,929)	-	-	-	-	-	-	-
Capital projects funds	-	1,251	-	-	11,747	8,349	10,459	23,198	15,690	24,965
Debt service funds	-	-	-	-	37	157	317	203	251	676
Assigned	-	-	1,943	17,392	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 7,740</u>	<u>\$ 4,838</u>	<u>\$ 2,661</u>	<u>\$ 20,224</u>	<u>\$ 33,009</u>	<u>\$ 33,278</u>	<u>\$ 25,350</u>	<u>\$ 39,269</u>	<u>\$ 31,955</u>	<u>\$ 36,101</u>
 Total governmental fund balances	<u>\$ 16,180</u>	<u>\$ 19,970</u>	<u>\$ 19,878</u>	<u>\$ 50,825</u>	<u>\$ 47,355</u>	<u>\$ 46,376</u>	<u>\$ 38,986</u>	<u>\$ 58,681</u>	<u>\$ 54,709</u>	<u>\$ 59,963</u>

City of Pharr, Texas
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(amount expressed in thousands)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	\$ 28,215	\$ 28,707	\$ 29,814	\$ 31,391	\$ 31,504	\$ 33,978	\$ 36,550	\$ 37,335	\$ 38,434	\$ 44,716
Licenses and permits	682	550	762	664	818	762	681	734	657	722
Intergovernmental	2,448	4,579	3,451	6,221	9,521	4,468	2,964	3,289	3,784	1,015
Charges for services	4,468	5,226	5,010	5,525	5,778	6,326	5,933	6,048	6,332	6,718
Fines	1,122	1,107	914	977	936	1,086	1,178	1,309	1,641	1,068
Investment earnings	296	361	440	415	474	401	314	89	241	417
Miscellaneous	254	533	375	692	644	945	368	1,218	12,571	1,191
Total Revenues	<u>37,486</u>	<u>41,064</u>	<u>40,766</u>	<u>45,885</u>	<u>49,675</u>	<u>47,966</u>	<u>47,988</u>	<u>50,023</u>	<u>63,661</u>	<u>55,847</u>
Expenditures										
General government	6,220	6,609	14,398	13,336	10,337	11,933	10,784	11,498	11,037	16,384
Public safety	18,846	18,522	19,963	22,058	22,253	21,439	19,456	21,930	23,572	26,603
Highways and streets	2,499	4,012	4,404	7,401	7,056	5,012	8,412	11,107	13,846	8,764
Health and Welfare	2,318	2,423	2,555	2,654	2,371	2,758	2,808	2,694	2,408	2,853
Culture and recreation	3,472	3,664	6,010	5,524	12,999	6,346	4,867	5,439	7,926	12,253
Economic development	2,165	1,360	1,538	2,677	1,163	2,775	1,698	2,720	3,340	8,690
Debt service - Principal	3,335	1,781	1,635	2,588	9,339	7,811	7,994	15,162	17,161	12,046
Debt service - Interest	978	819	712	1,156	1,750	1,866	1,636	1,267	2,052	2,393
Total expenditures	<u>39,833</u>	<u>39,191</u>	<u>51,215</u>	<u>57,393</u>	<u>67,269</u>	<u>59,940</u>	<u>57,655</u>	<u>71,817</u>	<u>81,342</u>	<u>89,986</u>
Excess of revenues over (under) expenditures	(2,347)	1,872	(10,449)	(11,508)	(17,594)	(11,974)	(9,667)	(21,793)	(17,681)	(34,139)
Other financing sources (uses)										
Transfers in	6,066	9,951	11,615	42,210	34,633	19,662	21,849	35,719	20,787	37,389
Transfers out	(2,882)	(8,110)	(4,393)	(35,508)	(28,316)	(11,981)	(11,090)	(24,419)	(9,612)	(29,503)
Proceeds from sale of assets	-	-	805	120	551	198	(953)	642	-	-
Other Contributions	-	-	-	-	-	-	-	-	(9,900)	-
Issuance of debt	3,587	245	2,372	30,572	14,306	2,381	480	29,739	11,366	31,810
Total other financing sources (uses)	<u>6,771</u>	<u>2,086</u>	<u>10,399</u>	<u>37,395</u>	<u>21,175</u>	<u>10,260</u>	<u>10,286</u>	<u>41,680</u>	<u>12,641</u>	<u>39,696</u>
Special Items										
Gain/(Loss) on land available for sale valuation	-	-	-	-	(6,371)	-	(7,629)	-	1,566	(356)
Total special items	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,371)</u>	<u>-</u>	<u>(7,629)</u>	<u>-</u>	<u>1,566</u>	<u>(356)</u>
Net change in fund balances	<u>\$ 4,424</u>	<u>\$ 3,959</u>	<u>\$ (50)</u>	<u>\$ 25,887</u>	<u>\$ (2,790)</u>	<u>\$ (1,714)</u>	<u>\$ (7,010)</u>	<u>\$ 19,887</u>	<u>\$ (3,475)</u>	<u>\$ 5,201</u>
Debt service as a percentage of noncapital expenditures	12.1%	7.1%	4.8%	7.0%	19.7%	19.3%	20.1%	29.7%	30.9%	19.1%

City of Pharr, Texas
Assessed Value and Estimated Value of Taxable Property
Last Ten Fiscal Years
(amounts expressed in thousands)

<u>Fiscal Year Ended</u>	<u>Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Minerals</u>	<u>Other</u>	<u>Total Assessed</u>	<u>Less: Ag Loss &Tax Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value¹ as a Percentage of Actual Value</u>
2009	2008	\$ 1,831,559	\$ 496,061	\$ 15,957	\$ 52,232	\$ 213,847	\$ 2,609,655	\$ 506,079	\$ 2,103,576	\$ 0.68	\$ 2,103,576	124.06%
2010	2009	\$ 1,852,609	\$ 528,963	\$ 16,672	\$ 49,303	\$ 242,187	\$ 2,689,735	\$ 527,968	\$ 2,161,766	\$ 0.68	\$ 2,161,766	124.42%
2011	2010	\$ 1,903,835	\$ 561,456	\$ 14,999	\$ 16,865	\$ 265,722	\$ 2,762,876	\$ 591,022	\$ 2,171,854	\$ 0.68	\$ 2,171,854	127.21%
2012	2011	\$ 1,913,524	\$ 574,336	\$ 13,337	\$ 11,027	\$ 256,980	\$ 2,769,204	\$ 604,760	\$ 2,164,444	\$ 0.68	\$ 2,164,444	127.94%
2013	2012	\$ 1,978,273	\$ 591,866	\$ 12,310	\$ 11,038	\$ 265,359	\$ 2,858,847	\$ 662,530	\$ 2,196,317	\$ 0.68	\$ 2,196,317	130.17%
2014	2013	\$ 1,989,015	\$ 623,074	\$ 12,350	\$ 9,132	\$ 320,085	\$ 2,953,655	\$ 687,001	\$ 2,266,654	\$ 0.68	\$ 2,266,654	130.31%
2015	2014	\$ 2,130,562	\$ 665,903	\$ 12,239	\$ 6,201	\$ 316,074	\$ 3,130,979	\$ 753,721	\$ 2,377,258	\$ 0.68	\$ 2,377,258	131.71%
2016	2015	\$ 2,255,602	\$ 734,905	\$ 11,444	\$ 4,972	\$ 377,209	\$ 3,384,132	\$ 812,816	\$ 2,571,316	\$ 0.65	\$ 2,571,316	131.61%
2017	2016	\$ 2,302,343	\$ 826,519	\$ 11,971	\$ 3,175	\$ 374,763	\$ 3,518,771	\$ 827,461	\$ 2,691,310	\$ 0.65	\$ 2,691,310	130.75%
2018	2017	\$ 2,384,074	\$ 951,399	\$ 12,021	\$ 5,914	\$ 385,546	\$ 3,738,955	\$ 896,151	\$ 2,842,804	\$ 0.65	\$ 2,842,804	131.52%

Source: Hidalgo County Central Appraisal District

Note: Assessed values are determined as of August 1, and relate to taxes levied on the first day of the following fiscal year. Assessed value is equal to 100% of estimated value. All property is assessed the same rate regardless of real or personal property, commercial, residential, or industrial.

¹Includes tax-exempt property.

City of Pharr, Texas
Property Tax Rates¹ and Tax Levies
Direct and Overlapping² Governments
Last Ten Fiscal Years

Fiscal Year Ending	City of Pharr Tax Rate			Overlapping Tax Rates								
				Drainage District #1			Hidalgo County			P.S.J.A ISD		
	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total
2009	\$ 0.60	\$ 0.078	\$ 0.68	\$ 0.04	\$ 0.03	\$ 0.07	\$ 0.51	\$ 0.08	\$ 0.59	\$ 1.04	\$ 0.26	\$ 1.30
2010	\$ 0.60	\$ 0.078	\$ 0.68	\$ 0.04	\$ 0.03	\$ 0.07	\$ 0.51	\$ 0.08	\$ 0.59	\$ 1.04	\$ 0.17	\$ 1.21
2011	\$ 0.60	\$ 0.078	\$ 0.68	\$ 0.04	\$ 0.03	\$ 0.07	\$ 0.52	\$ 0.07	\$ 0.59	\$ 1.17	\$ 0.19	\$ 1.36
2012	\$ 0.60	\$ 0.077	\$ 0.68	\$ 0.05	\$ 0.03	\$ 0.08	\$ 0.52	\$ 0.07	\$ 0.59	\$ 1.17	\$ 0.19	\$ 1.36
2013	\$ 0.60	\$ 0.077	\$ 0.68	\$ 0.06	\$ 0.04	\$ 0.10	\$ 0.52	\$ 0.07	\$ 0.59	\$ 1.17	\$ 0.19	\$ 1.36
2014	\$ 0.60	\$ 0.080	\$ 0.68	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.53	\$ 0.06	\$ 0.59	\$ 1.17	\$ 0.19	\$ 1.36
2015	\$ 0.58	\$ 0.072	\$ 0.65	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.53	\$ 0.06	\$ 0.59	\$ 1.17	\$ 0.19	\$ 1.36
2016	\$ 0.58	\$ 0.072	\$ 0.65	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.53	\$ 0.06	\$ 0.59	\$ 1.17	\$ 0.23	\$ 1.40
2017	\$ 0.58	\$ 0.070	\$ 0.65	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.53	\$ 0.06	\$ 0.59	\$ 1.17	\$ 0.23	\$ 1.40
2018	\$ 0.58	\$ 0.072	\$ 0.65	\$ 0.05	\$ 0.05	\$ 0.10	\$ 0.53	\$ 0.05	\$ 0.58	\$ 1.17	\$ 0.21	\$ 1.38

Fiscal Year Ending	Overlapping Tax Rates						Total Direct & Overlapping Rates
	South Texas ISD			South Texas College			
	Operating	Debt Service	Total	Operating	Debt Service	Total	
2009	\$ 0.05	\$ -	\$ 0.05	\$ 0.11	\$ 0.04	\$ 0.15	\$ 2.84
2010	\$ 0.05	\$ -	\$ 0.05	\$ 0.11	\$ 0.04	\$ 0.15	\$ 2.76
2011	\$ 0.05	\$ -	\$ 0.05	\$ 0.11	\$ 0.04	\$ 0.15	\$ 2.90
2012	\$ 0.05	\$ -	\$ 0.05	\$ 0.11	\$ 0.04	\$ 0.15	\$ 2.90
2013	\$ 0.05	\$ -	\$ 0.05	\$ 0.11	\$ 0.04	\$ 0.15	\$ 2.92
2014	\$ 0.05	\$ -	\$ 0.05	\$ 0.11	\$ 0.04	\$ 0.15	\$ 2.93
2015	\$ 0.05	\$ -	\$ 0.05	\$ 0.14	\$ 0.05	\$ 0.18	\$ 2.93
2016	\$ 0.05	\$ -	\$ 0.05	\$ 0.14	\$ 0.05	\$ 0.18	\$ 2.97
2017	\$ 0.05	\$ -	\$ 0.05	\$ 0.14	\$ 0.05	\$ 0.18	\$ 2.97
2018	\$ 0.05	\$ -	\$ 0.05	\$ 0.14	\$ 0.05	\$ 0.18	\$ 2.94

Source: City of Pharr Tax Assessor/Collector, Hidalgo County Tax Office, Pharr-San Juan-Alamo Independent School District, TEA
Financial Audit Reports

¹Tax rate is per \$100 of taxable assessed value

²Overlapping rates are those of local and county governments that apply to property owners within the City of Pharr. Not all overlapping rates apply to all City of Pharr property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district.

City of Pharr, Texas
Principal Property Taxpayers
Fiscal Year End 2018 and 2009
(amounts expressed in thousands)

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
McAllen LEVCAL, LLC	\$ 60,057	1	2.11%	\$ 12,393	4	0.59%
HEB Grocery Company LP	\$ 25,427	2	0.89%	\$ -		
AEP Texas Central CO	\$ 19,389	3	0.68%	\$ 12,368	5	0.59%
Wilder Corporation of Delaware	\$ 17,771	4	0.63%	\$ 14,021	1	0.67%
Capote ABCD Inc	\$ 14,718	5	0.52%	\$ -		0.00%
Costco Wholesale Corp	\$ 12,898	6	0.45%	\$ -		0.00%
FJRS Investments LTD	\$ 12,825	7	0.45%	\$ 9,723	7	0.46%
Audie E. Ray Commerical Property Inc	\$ 11,545	8	0.41%			
Toyota of Pharr Scion of Pharr	\$ 10,318	9	0.36%	\$ -		0.00%
Costco Wholesale Corp	\$ 10,036	10	0.35%	\$ -		0.00%
Central Power & Light	\$ -		-	\$ 13,052	2	0.62%
Capote Farms LTD	\$ -		-	\$ 12,849	3	0.61%
Shell Western E&P (Total E&P)	\$ -		-	\$ 10,254	6	0.49%
Frank Smith Toyota	\$ -		-	\$ 8,934	8	0.42%
Gold Star Warehousing LTD	\$ -		-	\$ 8,470	9	0.40%
Southwestern Bell Tele	\$ -		-	\$ 8,130	10	0.39%
Totals	\$ 292,146		10.3%	\$ 110,194		5.2%
Assessed Taxable Value	\$ 2,842,804			\$ 2,103,576		

City of Pharr, Texas
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year <u>Ended</u>	Tax <u>Year</u>	Total Tax Levy* for <u>Fiscal Year</u>	<u>Collections within the Fiscal Year of the Levy</u>		Delinquent Collections in <u>Subsequent Years</u>	<u>Total Collections to Date</u>	
			<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2009	2008	\$ 14,567	\$ 13,391	91.9%	\$ 967	\$ 14,358	98.6%
2010	2009	\$ 14,824	\$ 13,673	92.2%	\$ 860	\$ 14,532	98.0%
2011	2010	\$ 14,674	\$ 13,559	92.4%	\$ 706	\$ 14,265	97.2%
2012	2011	\$ 14,576	\$ 13,771	94.5%	\$ (0.13)	\$ 13,771	94.5%
2013	2012	\$ 14,935	\$ 14,049	94.1%	\$ 178.69	\$ 14,228	95.3%
2014	2013	\$ 15,413	\$ 14,631	94.9%	\$ 96.26	\$ 14,727	95.6%
2015	2014	\$ 16,431	\$ 15,448	94.0%	\$ 242.87	\$ 15,691	95.5%
2016	2015	\$ 16,952	\$ 15,928	94.0%	\$ 297.72	\$ 16,226	95.7%
2017	2016	\$ 17,654	\$ 16,642	94.3%	\$ 293.29	\$ 16,935	95.9%
2018	2017	\$ 18,625	\$ 17,832	95.7%	\$ 80.13	\$ 17,912	96.2%

*Tax Levy including modifications throughout the year

Sources: City of Pharr Tax Assessor/Collector
Hidalgo County Tax Assessor/Collector

City of Pharr, Texas
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities					Business-Type Activities			Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Certificates of Obligation	Notes	Capital Leases	Utility & Toll Bridge Bonds/Notes	Capital Leases	Notes				
2009	\$ 15,130	\$ 3,330	\$ 731	\$ 2,503	\$ 64,510	\$ 1,016	\$ 3,125	\$ 90,345	0.04%	\$ 1,351	
2010	\$ 14,395	\$ 2,745	\$ 270	\$ 1,621	\$ 61,345	\$ 713	\$ 1,595	\$ 82,684	0.03%	\$ 1,230	
2011	\$ 15,750	\$ -	\$ -	\$ 2,738	\$ 58,415	\$ 952	\$ -	\$ 77,855	0.04%	\$ 1,106	
2012	\$ 14,300	\$ 7,600	\$ 21,500	\$ 3,405	\$ 55,385	\$ 537	\$ -	\$ 102,726	0.03%	\$ 1,417	
2013	\$ 12,800	\$ 7,300	\$ 28,500	\$ 3,200	\$ 61,000	\$ 463	\$ -	\$ 113,263	0.03%	\$ 1,562	
2014	\$ 11,295	\$ 7,025	\$ 24,064	\$ 4,101	\$ 58,442	\$ 389	\$ -	\$ 105,317	0.03%	\$ 1,452	
2015	\$ 9,710	\$ 6,720	\$ 20,242	\$ 3,413	\$ 55,917	\$ 218	\$ -	\$ 96,219	0.04%	\$ 1,327	
2016	\$ 7,440	\$ 20,705	\$ 14,254	\$ 8,541	\$ 52,092	\$ 27	\$ -	\$ 103,059	0.03%	\$ 1,347	
2017	\$ 6,305	\$ 18,835	\$ 1,121	\$ 6,516	\$ 44,268	\$ 1,783	\$ -	\$ 78,827	0.05%	\$ 1,019	
2018	\$ 5,898	\$ 32,565	\$ 6,819	\$ 7,377	\$ 41,097	\$ 3,539	\$ -	\$ 97,295	0.04%	\$ 1,224	

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

¹See the Schedule of Demographic and Economic Statistics for personal income and population data.

City of Pharr, Texas
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Percentage of Estimated Actual Taxable Value¹ of Property</u>	<u>Per Capita²</u>
2009	\$ 15,130	0.70%	\$ 226.2
2010	\$ 14,395	0.54%	\$ 214.2
2011	\$ 15,750	0.57%	\$ 223.7
2012	\$ 14,300	0.52%	\$ 197.2
2013	\$ 12,800	0.46%	\$ 176.5
2014	\$ 11,295	0.38%	\$ 154.4
2015	\$ 9,710	0.31%	\$ 132.8
2016	\$ 7,440	0.22%	\$ 97.2
2017	\$ 6,305	0.19%	\$ 81.5
2018	\$ 5,898	0.16%	\$ 74.2

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

¹See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

² Population data can be found in the Schedule of Demographic and Economic Statistics

City of Pharr, Texas
Direct and Overlapping Governmental Activities Debt
As of September 30, 2018
(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Hidalgo County	\$ 195,660	8.4%	\$ 16,461
Hidalgo Irrigation District #1	\$ -	0.0%	-
South Texas College	\$ 143,065	102.4%	\$ 146,536
South Texas ISD	\$ -	0.0%	-
Pharr, San Juan, Alamo Independent School District	\$ 325,685	12.8%	\$ 41,751
Overlapping debt			\$ 204,748
City of Pharr direct debt	\$ 66,724	100.0%	\$ 66,724
Total direct and overlapping debt			<u>\$ 271,472</u>

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Equalization and Assessment.
Debt outstanding data provided by the county. Data as of 12/31/2010.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the city of Pharr. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

¹The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the governments boundaries and dividing it by the county's total taxable assessed value.

City of Pharr, Texas
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Debt Limit	\$ 260,966	\$ 268,973	\$ 276,288	\$ 276,920	\$ 285,885	\$ 295,366	\$ 313,098	\$ 338,412	400,700	448,005
Total net debt applicable to limit	<u>15,130</u>	<u>14,395</u>	<u>15,750</u>	<u>14,300</u>	<u>12,800</u>	<u>11,295</u>	<u>9,710</u>	<u>7,440</u>	<u>6,305</u>	<u>5,898</u>
Legal debt margin	<u>\$ 245,836</u>	<u>\$ 254,578</u>	<u>\$ 260,538</u>	<u>\$ 262,620</u>	<u>\$ 273,085</u>	<u>\$ 284,071</u>	<u>\$ 303,388</u>	<u>\$ 330,972</u>	<u>\$ 394,395</u>	<u>\$ 442,107</u>
Total net debt applicable to the limit as a percentage of debt limit	5.8%	5.4%	5.70%	5.2%	4.5%	3.8%	3.1%	2.2%	1.6%	1.3%

Assesed Value	\$ 3,738,955
Add Back: exempt property	741,097
Total Assessed Value	4,480,052
Debt Limit (10% of total assessed value	448,005
Debt applocable to limit:	
General obligation bonds	<u>5,898</u>
Legal debt margin	<u><u>\$ 442,107</u></u>

Note: Under state finance law, the City of Pharr's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

City of Pharr, Texas
Pledged Revenue Coverage
Last Ten Fiscal Years
(amounts expressed in thousands)

	Water & Sewer Revenue Bonds								
Fiscal Year	Utility Sewer Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage			
				Principal	Interest				
2009	\$ 13,259	\$ 5,714	\$ 7,545	\$ 2,330	\$ 1,807	1.82			
2010	\$ 12,473	\$ 5,750	\$ 6,723	\$ 2,385	\$ 1,749	1.63			
2011	\$ 13,553	\$ 6,946	\$ 6,607	\$ 2,465	\$ 1,670	1.60			
2012	\$ 13,814	\$ 7,465	\$ 6,349	\$ 2,540	\$ 1,598	1.53			
2013	\$ 13,977	\$ 7,043	\$ 6,934	\$ 2,540	\$ 1,618	1.67			
2014	\$ 13,728	\$ 7,862	\$ 5,866	\$ 2,870	\$ 1,675	1.29			
2015	\$ 12,991	\$ 7,966	\$ 5,025	\$ 2,950	\$ 1,600	1.10			
2016	\$ 13,745	\$ 6,315	\$ 7,430	\$ 3,035	\$ 1,675	1.58			
2017	\$ 14,454	\$ 6,387	\$ 8,067	\$ 3,382	\$ 1,643	1.61			
2018	\$ 13,643	\$ 6,590	\$ 7,053	\$ 2,958	\$ 1,070	1.75			

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements. Utility charges and other revenues include only utility service charges, investment earnings, and tap fees. Operating expenses do not include interest or depreciation. Historical information taken from prior financial reports.

City of Pharr, Texas
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	<u>Population</u>¹	<u>Median Household Income</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Education Level in Years of Formal Schooling</u>²	<u>School Enrollment</u>³	<u>Unemployment Rate</u>⁴
2009	66,874	38,967*	9,462*	27.8*	47.3%*	30,618	11.2%
2010	67,217	28,000	11,421	27.1	58.1%	31,329	10.5%
2011	70,400	28,000	11,420	27.1	58.1%	31,508	10.7%
2012	72,513	30,486	12,328	27.3	59.7%	31,633	8.4%
2013	73,138	30,486	12,328	28.0	59.7%	32,050	9.3%
2014	73,138	32,087	12,964	28.3	61.3%	32,287	7.9%
2015	75,382	34,655	12,694	27.6	61.3%	32,519	7.1%
2016	76,538	34,708	13,713	27.6*	62.0%	33,501	6.7%
2017	77,320	36,501	13,724	31.1	62.8%	32,838	7.7%
2018	79,487	39,445	14,826	31.1	63.3%	32,631	7.3%

Data Sources: U.S. Census, Texas Workforce Commission, U.S. Bureau of Labor Statistics, and PSJA ISD

¹Population data from 2004 to 2007 taken from Planning/Zoning department. 2010 population estimate based on percentage increase of US Census Bureau totals for 2008 and 2009. 2011 population estimate based on percentage increase of US Census Bureau totals for 2009 and 2010. 2012 population estimate based on percentage increase of US Census Bureau totals for 2010 and 2011. 2013 population estimate based on percentage increase of US Census Bureau totals for 2011 and 2012.

²Represents population age 25 or greater that has graduated from high school.

³School Enrollment data includes enrollment for Pharr San Juan and Alamo School District. (As of 9/30/2018)

⁴Unemployment rate as of September 2018. (Source: Workforce Solutions)

* Data Not Available

City of Pharr, Texas
Principal Employers
Fiscal Year Ending 2018 and 2009

2018			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment¹</u>
Pharr-San Juan-Alamo ISD	4,298	1	18.87%
City of Pharr	733	2	3.22%
Ticketmaster	540	3	2.37%
Atento	490	4	2.15%
Maximus	400	5	1.76%
Walmart	376	6	1.65%
Lacks	300	7	1.32%
HEB Food Stores	290	8	1.27%
VDP Healthcare	250	9	1.10%
Home Depot	150	10	0.66%
Total	<u>7,827</u>		<u>34.37%</u>

2009			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Pharr-San Juan-Alamo ISD	2,023	-	9.02%
Convergys	1,000	-	4.46%
Vdp Healthcare Inc	435	-	1.94%
Highway & Transportation	324	-	1.44%
HEB Food Stores	320	-	1.43%
Lack's Valley Stores LTD	300	-	1.34%
City of Pharr	280	-	1.25%
Limon Masonry	250	-	1.11%
US Customs SVC Port of Entry	179	-	0.80%
Pharr Police Department	156	-	0.70%
Total	<u>5,267</u>		<u>23.49%</u>

Source: Workforce Solutions Lower RGV

* Information was not tracked to provide stated information.

City of Pharr, Texas
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Budgeted Full-time Equivalent Employees as of September 30, 2018										
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
GENERAL FUND										
City Manager	9.0	8.0	7.5	9.5	8.5	15.0	9.0	7.0	8.0	8.0
Finance	5.5	9.0	9.0	14.0	14.0	14.0	12.0	10.0	8.0	8.0
Police Department	161.0	160.0	172.0	174.5	176.5	186.5	178.5	183.0	169.0	169.0
Traffic Safety	16.0	16.0	16.0	17.0	17.0	0.0	0.0	0.0	0.0	0.0
Purchasing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0	2.0
Municipal Court	5.0	6.5	7.5	7.5	8.0	7.0	8.0	9.0	10.0	10.0
Fire Protection	66.0	65.0	74.0	73.0	78.0	82.0	80.0	80.0	80.0	80.0
(PAL) Administrative Services	7.0	7.5	7.0	7.0	7.0	8.3	8.3	5.0	0.0	0.0
Street Maintenance	29.0	31.0	33.0	32.0	32.0	48.0	50.0	63.0	53.0	53.0
Information Technology	0.0	0.0	2.5	2.0	5.0	10.0	12.5	19.5	13.5	13.5
Media	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8.0	8.0
Municipal Library	26.0	22.5	22.5	22.5	23.5	25.0	23.5	27.5	27.5	27.5
Parks & Recreation	102.0	102.0	64.3	68.1	62.1	56.8	112.6	31.0	54.0	54.0
Communication	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.0	23.0	23.0
Human Resources	0.0	0.0	0.0	0.0	0.0	0.0	4.0	6.0	8.0	8.0
Planning & Community Dev	22.0	18.5	18.5	18.5	20.0	22.5	23.0	23.0	24.0	24.0
Engineer	0.0	0.0	0.0	4.0	5.5	4.5	6.5	7.5	8.5	8.5
Total General Fund	448.5	446.0	433.8	449.6	457.1	479.6	527.9	477.5	496.5	496.5
UTILITY FUND										
Administrative	12.5	9.5	9.0	9.0	9.0	9.0	9.0	9.0	10.0	10.0
Water Production	10.0	10.0	10.0	10.0	13.0	15.0	15.0	15.0	15.0	15.0
Water Distribution	23.0	23.5	24.0	26.5	27.0	30.5	30.5	28.5	32.5	32.5
Water Treatment Plant	13.0	13.0	13.0	17.0	18.0	19.0	19.0	19.0	19.0	19.0
Lift Station	3.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Utility Fund	61.5	57.0	57.0	62.5	67.0	73.5	73.5	71.5	76.5	76.5
INTERNAL SERVICE FUND										
Chief Mechanic	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Laborers	4.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0
Total Internal Svc Fund	5.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0
Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Others	24.0	24.5	24.0	22.0	22.0	27.0	23.5	23.5	19.0	19.0
Total Int'l Bridge	25.0	25.5	25.0	23.0	23.0	28.0	24.5	24.5	20.0	20.0
OTHER										
CDBG	4.0	5.5	5.5	4.5	3.5	4.0	0.0	0.0	5.0	4.0
Grants Mnagement	0.0	0.0	0.0	0.0	0.0	0.0	6.0	5.0	5.0	2.0
Golf Course	15.5	15.0	15.5	15.5	17.0	23.5	20.5	22.0	24.0	24.0
Events Center	0.0	0.0	0.0	6.4	8.0	17.5	18.5	4.0	4.0	4.0
Total Other	19.5	20.5	21.0	26.4	28.5	45.0	45.0	40.5	38.0	34.0
GRAND TOTAL	559.5	553.0	540.8	565.5	580.6	631.1	675.9	619.0	636.0	632.0

City of Pharr, Texas
Operating Indicators by Function
Last Ten Fiscal Years

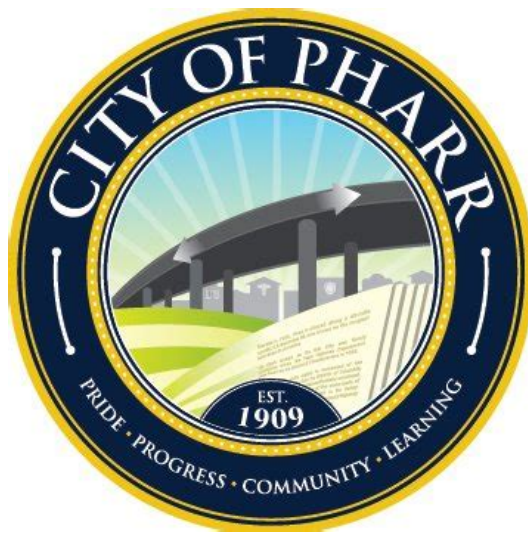
Function	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Police										
Physical arrests	4,839	15,660	3,395	3,477	2,197	3,573	2,423	1,805	2,150	3,215
Parking & Traffic Violations	25,689	12,556	10,742	9,654	12,607	12,893	19,628	13,684	12,543	13,523
Fire										
Number of calls answered	2,148	2,144	2,018	1,850	2,491	2,488	2,899	2,926	1,527	1,711
Inspections	1,325	1,160	1,842	2,620	2,263	2,942	2,184	2,675	2,197	2,273
Highways and streets										
Street resurfacing (miles)	7	9	9	7	6.44	7.31	1.41	10	8	8
Potholes repaired	825	775	4000	1500	545	1297	506	3089	3947	1801
International Bridge										
Car Crossings	1,444,912	1,264,573	1,038,430	946,847	937,829	866,328	794,930	865,200	843,452	856,392
Truck Crossings	409,336	447,122	440,705	463,714	485,299	508,180	523,373	548,172	566,918	578,617
Culture and recreation										
Pharr Events Center	84	50	20	72	60	91	69	160	74	76
Other Community Center Events	414	378	329	703	442	unknown	unkown	382	41	unkown
Water										
New connections	220	278	428	304	372	256	303	447	425	420
Water mains breaks	445	711	768	~1365	~1625	~1642	~1726	1,410	1,107	1,107
Average daily consumption (millions of gallons)	7.3 MGD	6.3 MGD	6.6 MGD	7.0 MGD	6.9 MGD	7.1 MGD	6.46 MGD	6.7 MGD	5.4 MGD	7 MGD
Wastewater										
Average daily sewage treatment (thousands of gallons)	4.8 MGD	4.76MGD	4.9 MGD	4.9MGD	4.8 MGD	5.1 MGD	5.2 MGD	4.9 MGD	4.8 MGD	4.57 MGD

Sources: Various City Departments

City of Pharr, Texas
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year									
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Public Safety										
Police:										
Stations	2	2	2	2	2	2	2	2	3	3
Patrol units	93	128	125	62	61	68	68	83	93	98
Fire stations	3	3	3	3	3	3	3	3	3	3
Highways and streets										
Streets (miles)	214	214	214	214	214	214	214	214	214	214
Streetlights	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown
Traffic signals	55	56	58	61	68	72	75	77	77	77
Culture and recreation										
Parks Acreage (Developed)	57	57	57	79	46	57	57	57	57	57
Swimming pools	2	-	-	-	1	1	1	1	1	1
Tennis courts	2	2	2	2	2	2	2	2	2	2
Community and Convention Centers	4	4	4	4	4	4	4	7	7	7
Water										
Water mains (miles)	315	313	325	~304	~304	~303	~304	~350.84	~356	~356
Fire hydrants	1,896	1,946	1,946	~2,214	~2,214	~2,213	~2,214	~2,563	~2219	~2219
Maximum daily capacity (thousands of gallons)	12.01 MGD	9.9 MGD	10 MGD	10 MGD	10 MGD	19 MGD	20 MGD	20 MGD	19MGD	19MGD
Sewer										
Sanitary sewers (miles)	265	266	269	267	~267	~266	~267	~273.55	~280	~280
Storm sewers (miles)	82	94.43	97.2	Unknown	96.63	95.63	95.64	97.34	98	98
Maximum daily treatment capacity (thousands of gallons)	5.9 MGD	5.3 MGD	8 MGD	8 MGD	7.4 MGD	6.4 MGD	7.3 MGD	6.44 MGD	8 MGD	8 MGD

Sources: Various City Departments



Single Audit Section



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Oscar R. González
Melissa González

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of City Council
City of Pharr, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the blended component units, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Pharr, Texas, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Pharr, Texas's basic financial statements and have issued our report thereon dated March 12, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Pharr, Texas's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Pharr, Texas's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Pharr, Texas's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. 2018-4.

Compliance and Other Matters

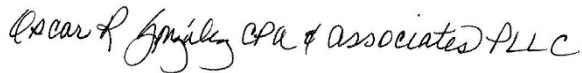
As part of obtaining reasonable assurance about whether the City of Pharr, Texas's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2018-1 through 2018-3.

City of Pharr, Texas's Response to Findings

City of Pharr, Texas's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Pharr, Texas's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Oscar R. Gonzalez CPA & Associates PLLC".

Oscar R. Gonzalez, CPA & Associates, PLLC
Certified Public Accountants

Pharr, Texas
March 12, 2019

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and Members of the City Council
City of Pharr, Texas

Report on Compliance for Each Major Federal Program

We have audited the City of Pharr, Texas' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Pharr, Texas' major federal programs for the year ended September 30, 2018. City of Pharr, Texas's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Pharr, Texas' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Pharr, Texas' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Pharr, Texas' compliance.

Opinion on Each Major Federal Program

In our opinion, the City of Pharr, Texas, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2018.

Report on Internal Control over Compliance

Management of the City of Pharr, Texas, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above.

In planning and performing our audit of compliance, we considered the City of Pharr, Texas' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Pharr, Texas' internal control over compliance.

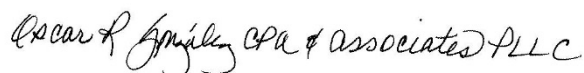
Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2018-2 and 2018-3 to be significant deficiencies.

City of Pharr, Texas' response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Pharr, Texas' response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Oscar R. Gonzalez, CPA & Associates, PLLC
Certified Public Accountants

Pharr, Texas
March 12, 2019

CITY OF PHARR, TEXAS
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018**

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Expenditures to Sub-Recipient
<u>U.S. DEPARTMENT OF HOMELAND SECURITY, FEDERAL EMERGENCY MANAGEMENT AGENCY</u>				
Passed Through Governor's Division of Emergency Management:				
Operation Stonegarden	97.067	EMW-2016-SS-00056	\$ 111,674	\$ -
Pharr Regional K-9 Project	97.044	EMW-2017-SS-00005	\$ 4,372	\$ -
TRU-Upgrade/Expansion of Regional Technical Response Unit	98.067	EMW-2017-SS-00005	\$ 51,928	\$ -
Total Passed Through Texas Office of the Governor-Homeland Security Grants Division (HSGD)			\$ 167,975	\$ -
Total U.S. DEPARTMENT OF HOMELAND SECURITY, FEDERAL EMERGENCY MANAGEMENT AGENCY			\$ 167,975	\$ -
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
Passed Through Direct Programs:				
Community Development Block Grant	14.218	B-11-MC-48-0507	\$ -	\$ -
Community Development Block Grant	14.218	B-15-MC-48-0507	\$ 37,421	\$ 37,421
Community Development Block Grant	14.218	B-16-MC-48-0507	\$ 333,329	\$ 333,329
Community Development Block Grant	14.218	B-17-MC-48-0507	\$ 853,882	\$ 853,882
			\$ -	\$ -
Total Passed Through Direct Programs			\$ 1,224,632	\$ 1,224,632
Total U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			\$ 1,224,632	\$ 1,224,632
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Passed Through Direct Programs:				
Human Trafficking Liaison Grant 2018	16.575	2016-VA-GX-0033	\$ 23,617	\$ -
Crime Victims Liaison Grant 2018	16.575	2016-VA-GX-0033	\$ 52,955	\$ -
Domestic Violence Coordinator Project 2018	16.575	2016-VA-GX-0033	\$ 15,342	\$ -
Total Passed Through Governor's Division of Criminal Justice			\$ 91,914	\$ -
<u>U.S. DEPARTMENT OF JUSTICE</u>				
COPS Hiring Program	16.710	2015UMWX0115	\$ 148,428	\$ -
			\$ 148,428	\$ -
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Bulletproof Vest Partnership Program-Bureau of Justice Assist	16.607		\$ 7,660	\$ -
			\$ 7,660	\$ -
<u>U.S. General Services Administration</u>				
Donation of Federal Surplus Personal Property	39.003		\$ 63,076	\$ -
Total U.S. General Services Administration			\$ 63,076	\$ -
Total U.S. DEPARTMENT OF JUSTICE			\$ 311,078	\$ -
<u>NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION</u>				
STEP - Click IT or Ticket	20.616	405B	\$ 2,993	\$ -
STEP - Impaired Driving Mobilization	20.616	405D	\$ 7,832	\$ -
STEP - CMV	20.616	402	\$ 11,455	\$ -
Total Passed Through Texas Department of Transportation (TXDOT)			\$ 22,281	\$ -
<u>U.S. DEPARTMENT OF THE TREASURY</u>				
Passed Through Direct Programs:				
Operation Task Force	16.922	112SA1599	\$ 96,202	\$ -
Total U.S. DEPARTMENT OF TREASURY			\$ 96,202	\$ -
<u>U.S. DEPARTMENT OF COMMERCE</u>				
EDA Grant-Pharr Research & Dev. Center	11.307	08-79-05003	\$ 477,543	\$ -
			\$ 477,543	\$ -
<u>US DEPARTMENT OF JUSTICE</u>				
OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PROGRAM (OJJDP)				
PAL-National Mentoring Program	16.726		\$ 16,191	\$ -
Total Office of Justice Juvenile Delinquency Prevention			\$ 16,191	\$ -
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 2,315,902	\$ 1,224,632

CITY OF PHARR, TEXAS

*SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2018*

Grantor/ Program Title	Grant Number	Expenditures
<u>STATE CRIMINAL JUSTICE PLANNING</u>		
STOP Failure to Attend School FY 16/17	2016-JF-FX-0008	-
SF-State Criminal Justice Plannin (421) Fund/First Offender	SF-ST-0015	2,765
BC-Body Worn Camera Program 2016	2016-BC-ST-0020	-
Total STATE CRIMINAL JUSTICE PLANNING		<u>2,765</u>
<u>STATE CRIMINAL JUSTICE PLANNING</u>		
STOP Failure to Attend School	SF-14-J20-2546802	\$ 0.02
SF-State Criminal Justice Planning (421) Fund		\$ 2,765
Total State Criminal Justice Planning		<u>\$ 2,765</u>
<u>TEXAS DEPARTMENT OF MOTOR VEHICLES</u>		
STEP Comprehensive Grant	IDM-00005	\$ 13,218
South Texas Auto Theft Enforcement Task Force	608-16-0310100	\$ 45,807
Total Texas Department of Transportation		<u>\$ 59,025</u>
<u>TEXAS OFFICE OF THE ATTORNEY GENERAL</u>		
Victims Coordinator Liasion Grant (VCLG)	1880426	\$ 40,950
		<u>\$ 40,950</u>
<u>TEXAS DIVISION OF EMERGENCY MANAGEMENT</u>		
Tifmas Reimbursement Grant	Category B	\$ 10,772
Total Texas Division of Emergency Management		<u>\$ 10,772</u>
<u>TEXAS OFFICE OF THE GOVERNER - CRIMINAL JUSTICE DIVISION (CJD)</u>		
BG-Rifle Resistant Body Armor Grant Program (BAGP)	2018-BG-ST-0025	\$ 34,800
NB-National Incident-Based Reporting System (NIBRS)	2017-NB-ST-0024	\$ -
BC-Body Worn Camera (BWC) Program	2016-BC-ST-0020	\$ -
Total Passed Through Texas Office of the Governer-Criminal Justice Division (CJD)		<u>\$ 34,800</u>
<u>TEXAS WATER DEVELOPMENT BOARD</u>		
Regional Water and Wastewater Facilities Planning (2020)	1004831080	\$ -
Total Texas Water Development Board		<u>\$ -</u>
<u>TEXAS OFFICE OF THE GOVERNER-HOMELAND SECURITY GRANTS DIVISION (HSGD)</u>		
Local Border Security Program 2018	2018-BL-ST-0016	\$ 167,446
Total Texas Office of the Governer-Homeland Security Grants Division (HSGD)		<u>\$ 167,446</u>
<u>LOWER RIO GRANDE VALLEY DEVELOPMENT COUNCIL</u>		
Regional Solid Waste Grant Program-2016	16-21-G03	\$ -
Regional Solid Waste Grant Program-2017	17-21-G01	\$ -
Total LOWER RIO GRANDE VALLEY DEVELOPMENT COUNCIL		<u>\$ -</u>
<u>VALLEY BAPTIST LEGACY FOUNDATION</u>		
Collarborative Grant 2017	Local	\$ 191,531
Total VALLEY BAPTIST LEGACY FOUNDATION		<u>\$ 191,531</u>
TOTAL EXPENDITURES OF STATE AWARDS		<u>\$ 507,290</u>
TOTAL EXPENDITURES OF FEDERAL & STATE AWARDS		<u>\$ 2,823,192</u>

City of Pharr, Texas
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
Year Ended September 30, 2018

1. General Statement

The accompanying Schedule of Expenditures of Federal/State Awards (Schedule) presents the activity of all the federal awards of the City of Pharr, Texas. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). The City's reporting entity is defined in Note I.B. to the City's basic financial statements. All federal awards received directly from Federal agencies and state and federal awards passed through state agencies are included on the Schedule. Because the Schedule presents only a selected portion of the operations of the Council, it is not intended to and does not present the financial position or changes in net position of City of Pharr, Texas.

2. Measurement Focus and Basis of Accounting

The federal and state grant funds were accounted for in the Grant Fund, a governmental fund type, and in an enterprise fund. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental fund types are accounted for using a current financial resources measurement focus. With the governmental fund type measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for the governmental fund types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measureable and available, and expenditures in the accounting period in which the fund liability is incurred, if measureable, except for certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the governing body has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability. Enterprise funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Federal and state grant funds are generally considered earned to the extent of expenditures made under the provisions of the grant, and accordingly, when such funds are received they are recorded as deferred revenues until earned.

The City has elected not to use the 10% *de minimis* indirect cost rate as allowed under the Uniform Guidance.

3. Relationship to Federal Financial Status Reports

Amounts reported on the Schedule may not agree with the amounts reported in the related Federal/State financial status reports filed with grantor agencies, because of the effect of accruals made in the Schedule.

CITY OF PHARR, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2018

SECTION I - SUMMARY OF AUDITOR RESULTS - CURRENT FISCAL YEAR

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued UNMODIFIED

Internal control over financial reporting:

- One or more material weakness identified? YES X NO
- One or more significant deficiencies identified that are not considered to be material weaknesses? X YES NO

Noncompliance material to financial statements noted? YES X NO

2. Federal Awards

Internal control over major programs:

- One or more material weakness identified? YES X NO
- One or more significant deficiencies identified that are not considered to be material weaknesses? X YES NONE

Type of auditor's report issued on compliance for major programs: UNMODIFIED

Any audit findings disclosed that are required to be reported in accordance with section 200.516 of the Uniform Guidance? YES X NO

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
11.307	Economic Adjustment Assistance
14.218	Community Development Block Grants/Entitlement Grants

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? X YES NO

SECTION I - SUMMARY OF AUDITOR RESULTS - CURRENT FISCAL YEAR - Continued

A. Summary of Auditor's Results - Continued

3. State Awards

Internal control over major programs:

• Material weakness identified?	<u> </u> YES	<u> X </u> NO
• Significant deficiencies identified that are not considered to be material weaknesses?	<u> </u> YES	<u> X </u> NONE REPORTED

Type of auditor's report issued on compliance for major programs: NOT APPLICABLE

Any audit findings disclosed that are required to be reported in accordance with section 200.516 of the Uniform Guidance? YES X NO

Identification of major programs:

<u>Grant Number</u>	<u>Name of State Program or Cluster</u>
---------------------	---

NONE

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? X YES NO

City of Pharr, TX
Schedule of Findings and Questioned Costs
Year Ended September 30, 2018

II. FINANCIAL STATEMENT FINDINGS

Schedule Reference (2018-1) COMPLIANCE OVER FORMAL COMPETITIVE PROCUREMENT

SIGNIFICANT DEFICIENCY

Criteria: Texas Government Code, Section 252.021 established the requirements specifically relating to the monetary threshold (\$50,000) for which the formal competitive procurement process is required.

Condition: Audit procedures identified two contracts that were secured in excess of the statutory requirements. These contracts were not subjected to the formal competitive process. The first contract was classified under emergency procurement provisions as per City Commission authorization, however the overall process from start to finish (awarding the contract) took approximately eight months. The project related to a lighting project at a local park. The second contract related to advertising/production/ and promotional services. The costs for the second contract were funded by the Pharr Economic Development Corporation (PEDC).

Effect: The City did not comply with the requirements prescribed by the Government Code Section 252.021.

Cause: Personnel in the purchasing department did not monitor all purchase requisitions prior to approving the related purchase order, to ensure compliance with applicable requirements.

Recommendation: City management should constantly monitor procurement activity ongoing to ensure compliance with these requirements. In particular, those contracts that recur on a yearly basis should be monitored for compliance.

Questioned Cost: -\$0-

Schedule Reference (2018-2) COMPLIANCE OVER REQUIRED EMPLOYMENT FORM I-9

SIGNIFICANT DEFICIENCY

Criteria: Employers have certain responsibilities under immigration law during the hiring process. These requirements are set forth in the Immigration Reform and Control Act of 1986 (IRCA). Specifically, the employer is required to complete Form I-9 as provided by established instructions. The form documents the legal work status of the employee.

Condition: Audit procedures in the area of payroll identified several employees with Forms I-9 with incomplete documentation; to support that the verification occurred during the hiring process. In some cases, the Employer did not sign off on the form to document that the verification occurred.

Effect: In those specific cases, the City did not comply with Form I-9 requirements as noted above. Further, the Employer could face financial penalties for not adhering to these requirements.

Cause: Personnel completing the forms and the verification were not well versed with the documentation requirements.

Recommendation: City management should ensure that personnel that fill/complete the form on behalf of the employer are adequately trained. The human resource department should perform a comprehensive review of all files to ensure ongoing compliance with these requirements.

Questioned Cost: -\$0-

City of Pharr, TX
Schedule of Findings and Questioned Costs
Year Ended September 30, 2018

Schedule Reference (2018-3) COMPLIANCE OVER CASH MANAGEMENT-DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

SIGNIFICANT DEFICIENCY

Criteria: The *Compliance Supplement* contained in 2 CFR PART 200, APPENDIX issued by the Executive Office, Office of Management and Budget, establishes general compliance requirements; among them is one related to cash management (i.e. drawdown and management of federal funds).

Condition: The City administered HUD grant funds under the Community Development Block Grant (CDBG) program. For purposes of fund draw downs, Form HUD-27053, Request Voucher for Grant Funds, is required. The form provides for a certification of the funds request from the designated City official; in this case, the City Manager or his designee. Numerous draws downs and related deposit of funds were made prior to the form being signed off (certified) by the City Manager's office.

Effect: The City did not comply with cash management requirements, specific to the CDBG program.

Cause: The technical documentation requirements were not reviewed properly by management.

Recommendation: City management should ensure that federal funds are not requested until such time that the designated official has certified the form referenced above.

Questioned Cost: -\$0-

Schedule Reference (2018-4) INTERNAL CONTROL OVER MANAGEMENT OF POLICIES AND PROCEDURES RELATING TO CREDIT CARDS

SIGNIFICANT DEFICIENCY

Criteria: Chapter 9 of the City's Purchasing Manual establishes policies and procedures related to the use of credit cards. The manual stipulates that usage of the cards is for unforeseen non-routine or emergency purchases, travel related charges, meeting preparation purposes, and for use with vendors that do not accept purchase orders.

Condition: During the audit, we noted heavy monthly usage of the cards for purchases not deemed compliant with the criteria previously specified. Many of the purchases appeared routine in nature. Other issues encountered included; payment of taxes on purchases, payment of tips on meals, or no receipt at all.

Effect: Controls relating to routine purchases were not adhered to, since the purchases were made with credit cards instead of a purchase order. Additionally, historical information regarding vendor activity/transactions was not maintained in the accounting software during the year, since the credit card system oversteps the vendor payment system.

Cause: Departmental supervisory staff were not monitoring purchase activity to ensure that expenditures adhered to established policies and procedures as prescribed by the Purchasing Manual.

Recommendation: City management should implement steps for immediate compliance with Chapter 9 of the Purchasing Manual, in order to foster a stronger system of internal controls.

Questioned Cost: -\$0-

City of Pharr, TX
Schedule of Findings and Questioned Costs
Year Ended September 30, 2018

III. FEDERAL AWARDS FINDINGS

Schedule Reference (2018-2) COMPLIANCE OVER REQUIRED EMPLOYMENT FORM I-9

SIGNIFICANT DEFICIENCY

Criteria: Employers have certain responsibilities under immigration law during the hiring process. These requirements are set forth in the Immigration Reform and Control Act of 1986 (IRCA). Specifically, the employer is required to complete Form I-9 as provided by established instructions. The form documents the legal work status of the employee.

Condition: Audit procedures in the area of payroll identified several employees with Forms I-9 with incomplete documentation; to support that the verification occurred during the hiring process. In some cases, the Employer did not sign off on the form to document that the verification occurred.

Effect: In those specific cases, the City did not comply with Form I-9 requirements as noted above. Further, the Employer could face financial penalties for not adhering to these requirements.

Cause: Personnel completing the forms and the verification were not well versed with the documentation requirements.

Recommendation: City management should ensure that personnel that fill/complete the form on behalf of the employer are adequately trained. The human resource department should perform a comprehensive review of all files to ensure ongoing compliance with these requirements

Questioned Cost: -\$0-

Schedule Reference (2018-3) COMPLIANCE OVER CASH MANAGEMENT-DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

SIGNIFICANT DEFICIENCY

Criteria: The Compliance Supplement contained in 2 CFR PART 200, APPENDIX issued by the Executive Office, Office of Management and Budget, establishes general compliance requirements; among them is one related to cash management (i.e. drawdown and management of federal funds).

Condition: The City administered HUD grant funds under the Community Development Block Grant (CDBG) program. For purposes of fund draw downs, Form HUD-27053, Request Voucher for Grant Funds, is required. The form provides for a certification of the funds request from the designated City official; in this case, the City Manager or his designee. Numerous draws downs and related deposit of funds were made prior to the form being signed off (certified) by the City Manager's office.

Effect: The City did not comply with cash management requirements, specific to the CDBG program.

Cause: The technical documentation requirements were not reviewed properly by management.

Recommendation: City management should ensure that federal funds are not requested until such time that the designated official has certified the form referenced above.

Questioned Cost: -\$0-



Pharr



MAYOR Ambrosio Hernández, MD | CITY MANAGER Alex Meade

COMMISSIONERS Eleazar Guajardo | Roberto "Bobby" Carrillo | Ramiro Caballero, MD | Daniel Chavez | Ricardo Medina | Mario Bracamontes

Management Response: (2018-1)

City Commission felt this project to be a sensitive safety concern and that its why it was declared an emergency. However, project was put on hold due to vendor and the filing of bankruptcy. City is currently updating Purchasing Policy Manual that includes and addresses clear thresholds for which formal competitive procurement process is required for City and to specify which entities are subject to these policies.

Management Response: (2018-2)

The City hired Ms. Alicia J. Haff J.D. from ETC Human Resources in 2014 to conduct an audit in the HR Division. During this audit, I-9 were reviewed and the City was advised to not alter any existing I-9 forms on file. Since then we have made every effort to comply with I-9 requirements. In addition, please note that the sample on Schedule Reference (2018-2) represents less than 1% of the city's workforce and they were hired prior to the HR Department establishment and the audit conducted by Ms. Haff.

Also, HR has provided E-Verify Knowledge Test results for both staff members responsible for conducting I-9 form verification and compliance. Mrs. Fuentes scored 92.8% and Ms. Mendoza 96.4%, therefore demonstrating that both staff members have a very good understanding of the documentation requirements and verification process.

Also, the HR Department will be conducting an internal comprehensive review and will be making corrections on existing I-9 forms as recommended by Mr. Guillermo Reyna.

Management Response: (2018-3)

Effective April 1, 2019, the GMCD Director has amended the drawdown procedures to comply with HUD Cash Management requirements. This amendment includes a step by step procedure to be taken on processing sub-recipient invoices that includes correcting the flow of signatures

Management Response: (2018-4):

City is currently working in updating Purchasing Policy Manual that includes clear criteria Departmental supervisory staff should meet before approving. City is also transitioning to a new P-Card system which might be more compatible in exporting detail transactions from bank statement activity so that detail description shows in City's Financial Software.

City of Pharr, TX
Schedule of Prior Year Findings
Year Ended September 30, 2018

SUMMARY OF AUDITOR RESULTS – PRIOR FISCAL YEAR

Schedule Reference: (2017-1) Purchasing Policies

Type of Finding: Significant Deficiency

Criteria: The City purchasing will follow applicable procurement laws and approved City's internal purchasing procedures manual. Specifically, the purchase order process.

Condition: The purchasing procedures approved are not being followed or adhered to. Department heads responsible do not utilize purchase orders as specified in The City's purchasing policies nor do they follow approval procedures on a timely basis.

Cause: Auditor reviewed several invoices for procedures followed and found several purchase order forms being processed after the purchase was made, if processed at all. Auditor also observed that checks were disbursed based on the amount invoiced by the vendor and no purchase order was submitted nor approved by the Department Head.

Effect: Purchases were made that did not follow the proper approval procedures.

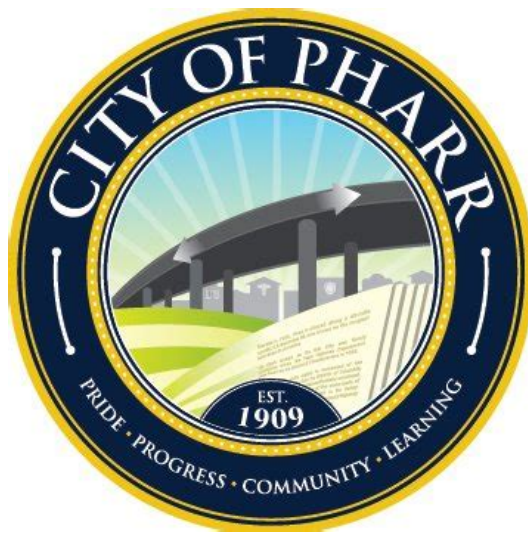
Recommendation: Purchasing policies should be followed and all purchase orders should be approved as specified in the purchasing manual.

Auditee's Response: We concur. Purchasing policies will be reviewed and updated to coincide with internal operations while continuing to maintain strong internal controls.

Current Status: Corrected

Federal Awards Findings:

None





AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 4.A.

DATE SUBMITTED: March 22, 2019

MEETING DATE: March 25, 2019

FROM: Omar Anzaldua, City Engineer

DEPARTMENT: Engineering

DIRECTOR: Omar Anzaldua

Agenda Item: Consideration and action, if any, on award of contract for the Concrete Paving Improvements W. Zaragoza and S. Sugar Road Project. (Project No. 1819-86-510-C010-202)

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: On March 21, 2019, formal bids were opened, with nine (9) respondents to the solicitation. The bids received ranged from \$642,100 to \$1,006,978.

Financial Consideration: Account No. 01-53000-9913

Budget Amount \$1,251,112.70

Staff Recommendation: Staff recommends award of contract for Concrete Paving Improvements W. Zaragoza and S. Sugar Road Project (Project No. 1819-86-510-C010-202) to the lowest responsive and responsible bidder, RDH Site & Concrete, LLC. from Palmview, TX, in the amount of \$642,100.00.

Alternatives: N/A

ROUTING:

Omar Anzaldua

Created/Initiated - 3/22/2019

Omar Anzaldua

Approved - 3/22/2019

Patricia Rigney

Approved - 3/22/2019

Sandra Zamora

Approved - 3/22/2019

Karla Moya

Approved - 3/22/2019

City Management Office

Final Approval - 3/22/2019



READ BY: Sandra Zamora

RECORDED BY: Carol Quintanilla

PREPARED BY: Carol Quintanilla

BID OPENING: MARCH 21, 2019 AT 3:00 P.M.
LOCATION: CITY COMMISSIONER'S ROOM, 2ND FLOOR
CONCRETE PAVING IMPROVEMENTS - W. ZARAGOSA DRIVE AND S. SUGAR ROAD
PROJECT NO.: 1819-86-510-C010-202

Ref No.	Description	Type	UOM	Quantity	RDH SITE AND CONCRETE, LLC		GLZ CONSTRUCTION LLC		International Consulting Engineers		Texas Cordia Construction, LLC		IOC Company, LLC		LUCANIA CONSTRUCTION LLC		SAMES, INC.		Garco Industries, Inc		Rhyner Construction Services, Inc	
					★ Palmview, TX	Edinburg, TX	Edinburg, TX	Edinburg, TX	Edinburg, TX	Edinburg, TX	Edinburg, TX	Mission, TX	McAllen, TX	San Juan, TX	Rio Hondo, TX							
																Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price
BASE BID A - WEST ZARAGOSA DRIVE																						
2	8 ½" Reinforced Concrete (4,400 psi)	Base	SY	6,700.00	\$54.00	\$361,800.00	\$59.50	\$398,650.00	\$62.00	\$415,400.00	\$65.00	\$435,500.00	\$59.50	\$398,650.00	\$67.00	\$448,900.00	\$70.43	\$471,881.00	\$69.50	\$465,650.00	\$86.80	\$581,560.00
3	6" Curb & Gutter (24")	Base	LF	3,000.00	\$13.00	\$39,000.00	\$11.00	\$33,000.00	\$12.00	\$36,000.00	\$11.00	\$33,000.00	\$11.00	\$33,000.00	\$10.90	\$32,700.00	\$9.00	\$27,000.00	\$19.30	\$57,900.00	\$16.80	\$50,400.00
4	72" Valley Gutter	Base	LF	100	\$45.00	\$4,500.00	\$50.00	\$5,000.00	\$50.00	\$5,000.00	\$58.00	\$5,800.00	\$58.25	\$5,825.00	\$66.00	\$6,600.00	\$50.54	\$5,054.00	\$46.50	\$4,650.00	\$50.40	\$5,040.00
5	Handicap Ramps	Base	EA	4	\$600.00	\$2,400.00	\$800.00	\$3,200.00	\$750.00	\$3,000.00	\$1,675.00	\$6,700.00	\$1,325.00	\$5,300.00	\$1,190.00	\$4,760.00	\$1,249.64	\$4,998.56	\$750.00	\$3,000.00	\$1,540.00	\$6,160.00
6	Erosion Control	Base	LS	1	\$2,000.00	\$2,000.00	\$11,700.00	\$11,700.00	\$15,000.00	\$15,000.00	\$2,650.00	\$2,650.00	\$4,500.00	\$4,500.00	\$3,200.00	\$3,200.00	\$8,099.91	\$8,099.91	\$5,704.00	\$5,704.00	\$7,798.00	\$7,798.00
7	Striping	Base	LS	1	\$7,000.00	\$7,000.00	\$6,000.00	\$6,000.00	\$3,500.00	\$3,500.00	\$4,000.00	\$4,000.00	\$3,301.99	\$3,301.99	\$3,700.00	\$3,700.00	\$4,402.13	\$4,402.13	\$240.00	\$240.00	\$2,520.00	\$2,520.00
8	Stop Sign Assembly with Street Names	Base	EA	1	\$500.00	\$500.00	\$300.00	\$300.00	\$1,500.00	\$1,500.00	\$800.00	\$800.00	\$2,923.30	\$2,923.30	\$600.00	\$600.00	\$880.43	\$880.43	\$1,850.00	\$1,850.00	\$490.00	\$490.00
9	Type III Barricades	Base	EA	3	\$400.00	\$1,200.00	\$500.00	\$1,500.00	\$750.00	\$2,250.00	\$600.00	\$1,800.00	\$3,500.00	\$10,500.00	\$200.00	\$600.00	\$1,173.90	\$3,521.70	\$650.00	\$1,950.00	\$1,120.00	\$3,360.00
10	Painted Fire Lane Designations on Curb (Red-30LF)	Base	EA	5	\$200.00	\$1,000.00	\$150.00	\$750.00	\$300.00	\$1,500.00	\$50.00	\$250.00	\$45.00	\$225.00	\$475.00	\$2,375.00	\$293.48	\$1,467.40	\$100.00	\$500.00	\$252.00	\$1,260.00
11	Sanitary Sewer Ring & Cover Adjustment	Base	EA	5	\$300.00	\$1,500.00	\$350.00	\$1,750.00	\$750.00	\$3,750.00	\$950.00	\$4,750.00	\$3,450.00	\$17,250.00	\$1,300.00	\$6,500.00	\$880.43	\$4,402.15	\$450.00	\$2,250.00	\$490.00	\$2,450.00
BASE BID B - SOUTH SUGAR ROAD																						
13	8 ½" Reinforced Concrete (4,400 psi)	Base	SY	3,500.00	\$54.00	\$189,000.00	\$59.50	\$208,250.00	\$62.00	\$217,000.00	\$65.00	\$227,500.00	\$69.60	\$243,600.00	\$67.00	\$234,500.00	\$69.08	\$241,780.00	\$69.50	\$243,250.00	\$86.80	\$303,800.00
14	6" Curb & Gutter (24")	Base	LF	1,600.00	\$13.00	\$20,800.00	\$11.00	\$17,600.00	\$12.00	\$19,200.00	\$11.00	\$17,600.00	\$11.00	\$17,600.00	\$10.90	\$17,440.00	\$9.15	\$14,640.00	\$19.30	\$30,880.00	\$16.80	\$26,880.00
15	Handicap Ramps	Base	EA	2	\$600.00	\$1,200.00	\$800.00	\$1,600.00	\$750.00	\$1,500.00	\$1,675.00	\$3,350.00	\$1,325.00	\$2,650.00	\$1,190.00	\$2,380.00	\$1,416.47	\$2,832.94	\$750.00	\$1,500.00	\$1,540.00	\$3,080.00
16	Erosion Control	Base	LS	1	\$2,000.00	\$2,000.00	\$7,000.00	\$7,000.00	\$10,000.00	\$10,000.00	\$2,900.00	\$2,900.00	\$3,500.00	\$3,500.00	\$3,200.00	\$3,200.00	\$7,747.74	\$7,747.74	\$3,200.00	\$3,200.00	\$7,798.00	\$7,798.00
17	Striping	Base	LS	1	\$7,000.00	\$7,000.00	\$1,400.00	\$1,400.00	\$5,000.00	\$5,000.00	\$4,800.00	\$4,800.00	\$4,035.00	\$4,035.00	\$5,100.00	\$5,100.00	\$4,402.13	\$4,402.13	\$480.00	\$480.00	\$2,520.00	\$2,520.00
18	Stop Sign Assembly with Street Names	Base	EA	1	\$500.00	\$500.00	\$300.00	\$300.00	\$1,500.00	\$1,500.00	\$800.00	\$800.00	\$3,000.00	\$3,000.00	\$600.00	\$600.00	\$880.43	\$880.43	\$1,850.00	\$1,850.00	\$490.00	\$490.00
19	Type III Barricades	Base	EA	1	\$400.00	\$400.00	\$850.00	\$850.00	\$750.00	\$750.00	\$600.00	\$600.00	\$3,500.00	\$3,500.00	\$200.00	\$200.00	\$1,173.90	\$1,173.90	\$650.00	\$650.00	\$1,120.00	\$1,120.00
20	Painted Fire Lane Designations on Curb (Red-30LF)	Base	EA	1	\$300.00	\$300.00	\$150.00	\$150.00	\$300.00	\$300.00	\$50.00	\$50.00	\$45.00	\$45.00	\$475.00	\$475.00	\$293.48	\$293.48	\$100.00	\$100.00	\$252.00	\$252.00
TOTAL AMOUNT BID (BASE BID A & BASE BID B)					★ \$642,100.00		\$699,000.00		\$742,150.00		\$752,850.00		\$759,405.29		\$773,830.00		\$805,457.90		\$825,604.00		\$1,006,978.00	
NUMBER OF CALENDAR DAYS FOR SUBSTANTIAL COMPLETION					45 DAYS		43 DAYS		45 DAYS		45 DAYS		45 DAYS		45 DAYS		45 DAYS		NOT SPECIFIED		45 DAYS	
NUMBER OF CALENDAR DAYS TO COMPLETE CONTRACT					60 DAYS		55 DAYS		60 DAYS		60 DAYS		60 DAYS		60 DAYS		60 DAYS		NOT SPECIFIED		60 DAYS	
BID BOND					SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED	
ADDENDUM					ACKNOWLEDGED		ACKNOWLEDGED		ACKNOWLEDGED		ACKNOWLEDGED		ACKNOWLEDGED		ACKNOWLEDGED		ACKNOWLEDGED		ACKNOWLEDGED		ACKNOWLEDGED	
ELECTRONIC BID SUBMITTED					SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED	
HARDCOPY OF BID SUBMITTED					SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED		SUBMITTED	

JAVIER HINOJOSA ENGINEERING/Consulting Engineers

416 E. Dove Avenue • McAllen, Texas 78504

Tel: (956) 668-1588 • Fax: (956) 994-8102

javhin@rgv.rr.com

TBPE FIRM NO. F-1295

March 22, 2019

Mr. Omar Anzaldua, P.E., City Engineer
City of Pharr
118 S. Cage Blvd. 1st Floor
Pharr, Texas 78577

**Re: City of Pharr W. Zaragosa Drive and N. Sugar Road Concrete Paving
Improvements
Project No. 1819-86-510-C010-202**

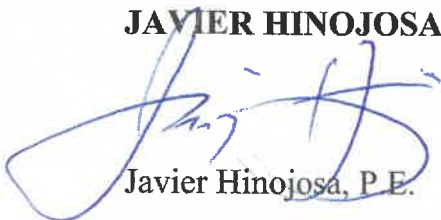
Dear Mr. Anzaldua,

Bids were received and opened for the W. Zaragosa Drive and N. Sugar Road Concrete Paving Improvements project on March 21, 2019. A total of nine (9) bids were received with RDH Site and Concrete, LLC, being the low bidder with a total base bid of \$642,100.00. The base bid consist of the concrete paving of S. Sugar Road and W. Zaragosa Drive. Attached is a bid tabulation of the bids received.

We recommend award of the contract to the lowest responsible bidder, RDH Site and Concrete, LLC, for the base bid in the total amount of \$642,100.00. RDH Site and Concrete, LLC, is a reputable Contractor who has performed similar concrete projects in the area. If you have any questions or require further information, please feel free to contact me at your convenience.

Sincerely,

JAVIER HINOJOSA ENGINEERING



Javier Hinojosa, P.E.



Pharr



**CITY OF PHARR
PROJECT MANUAL
CONTRACT DOCUMENTS**

**SPECIFICATION, FORMS OF CONTRACT, BONDS,
PROPOSALS, AND TECHNICAL SPECIFICATIONS,
FOR**

**PROJECT NO. 1819-86-510-C010-202
W. ZARAGOSA DRIVE AND S. SUGAR ROAD
CONCRETE PAVING IMPROVEMENTS**

Dr. Ambrosio "Amos" Hernandez	Mayor
Eleazar Guajardo	Commissioner
Roberto "Bobby" Carrillo	Commissioner
Ramiro Caballero	Commissioner
Daniel Chavez	Commissioner
Ricardo Medina	Commissioner
Mario A. Bracamontes	Commissioner

Alex Meade, City Manager
Omar Anzaldúa, Jr., PE, CFM, PMP, CCM, City Engineer
Sandra Zamora, CPM, Purchasing Director

Prepared By:

JAVIER HINOJOSA ENGINEERING
416 E. DOVE AVENUE
McALLEN, TEXAS 78504
(956) 668-1588
FAX: (956) 994-8102
e-mail: javhin@rgv.rr.com

TBPE FIRM NO. F-1295

FEBRUARY 2019

		DESIGN ENGINEER/PROJECT MANAGER  3/6/19
ISSUED FOR BID		

CITY OF PHARR
W. ZARAGOSA DRIVE AND S. SUGAR ROAD CONCRETE PAVING IMPROVEMENTS
PROJECT #1819-86-510-C010-202

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DIVISION 0

PROCUREMENT AND CONTRACTING REQUIREMENTS

SECTION 00110
NOTICE TO BIDDERS

PART 1 - G E N E R A L

1.01 NOTICE TO BIDDERS

NOTICE TO BIDDERS

Formal Sealed bids addressed to Mr. Alex Meade, City Manager, City of Pharr, will be received “electronically” and in “hard-copy” format on **March 21, 2019** at **3:00 p.m.**, at the Purchasing Department (2nd floor) of Pharr City Hall, at which time they will be taken to the City Commission Room and publicly opened and read aloud. All “electronic” bid submittals must be uploaded on the City of Pharr’s bidding portal <https://pharr.procureware.com>. “Hard-copy” bids must be in the City of Pharr’s possession on or before the aforementioned date and time (No late bids will be accepted.) City of Pharr normal business working days are Monday through Friday between the hours of 8:00 a.m. and 5:00 p.m. and closed on Saturdays, Sundays and City recognized holidays. (Typed Bid Tabulation shall be posted on our bidding portal.)

W. ZARAGOSA DRIVE AND S. SUGAR ROAD CONCRETE PAVING IMPROVEMENTS

This work is for concrete paving and miscellaneous items of W. Zaragosa Drive and S. Sugar Road. This is a turnkey project.

A Bidder’s Bond from a reliable surety company licensed to operate in the State of Texas or certified Cashier’s Check, payable without recourse to the City of Pharr, for the amount of not less than five (5) percent (%) of the total bid shall accompany the bid as a guaranty that, if awarded the contract, the bidder will enter into a contract with the City of Pharr within the time specified. Payment and Performance Bonds shall be executed except in the event that the total amount bid is \$50,000 or less, the successful contractor has the option to enter into a single payment contract with the City of Pharr in lieu of a Performance Bond. In the event that the total amount bid is \$25,000 or less, the successful contractor has the option to enter into a single payment contract with the City of Pharr in lieu of a Payment and Performance Bond. Failure to execute contracts within the time specified shall forfeit to the Owner, as liquidated damages for such failure or refusal, the security (bid bond) deposited with his bid.

Bidders receiving a “NOTICE TO BIDDERS” and/or “REQUEST FOR BIDS” notice via e-mail, fax, or reading same in the newspaper are advised that they shall be required to go online to our Bidding Portal: <https://pharr.procureware.com> to obtain solicitation documents (Plans, Specifications, Proposal Forms, and Contract Documents). Potential bidders are expected to inspect the site of work and to inform themselves regarding all local conditions, which may affect their bid.

Bids are to be submitted in both **"electronic and hard-copy"** form. Any and all related Addendums issued shall be posted on our Bidding Portal. Potential Bidders are asked to post their questions on our bidding portal under the tab labeled "Clarifications/Questions" under the relative project number.

The City of Pharr reserves the right to refuse and reject any or all bids, to waive any or all formalities, or technicalities, and to accept the bid to be the best and most advantageous to the City, and hold the bids for a period of **ninety (90) days** without taking action.

Conditional bids will not be accepted. Bids sent via facsimile shall not be accepted

Hand-deliver BIDS: 118 S. Cage Blvd, Purchasing Department (2nd Floor)
If using Land Courier (i.e., FedEx, UPS): 118 S. Cage Blvd, Purchasing Department (2nd Floor)
Pharr, Texas 78577
Mail BIDS: P.O. Box 1729, Pharr, TX 78577
Electronic BIDS: <https://pharr.procureware.com>

A Pre-Bid Conference will be held **March 14, 2019 at 2:00 p.m.** in the City Commission Room (2nd floor) of Pharr City Hall. All prospective bidders are encouraged to be in attendance.

Bids shall be sealed and clearly marked: **Project No. 1819-86-510-C010-202**
**W. ZARAGOSA DRIVE AND S. SUGAR ROAD CONCRETE
PAVING IMPROVEMENTS**

SECTION 00180
BIDDER'S QUALIFICATIONS

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. This section contains the bidder's qualifications for the project.

1.02 DEFINITIONS

- A. Refer to Section 0700

1.03 BIDDER'S EXPERIENCE

- A. Bidder shall have experience, human resources and access to the equipment necessary for performing the project work. In addition, it is required that a minimum of 60% of the project be completed by the bidders' own workforce.
- B. Bidder shall have performed substantially the same type of work as is required in the project in its prior work experience.
- C. The successful bidder shall appoint a "competent person" of the company to be full time supervisor or superintendent at the site. The competent person must be available at all times during the pendency of the project and must be available during "off-hours."

1.04 STATEMENT OF QUALIFICATIONS AND OWNER'S REVIEW

Bidder shall submit on the form furnished in this section for that purpose, a Statement of Bidder's Qualifications. The Owner shall have the right to take such steps or perform such investigations as it deems necessary to determine the ability of the bidder to perform the obligations under this Contract, and the bidder shall furnish any and all information or data requested for this purpose. The Owner reserves the right to reject any bid if the evidence submitted by or investigation of such bidder fails to satisfy the owner that such bidder is properly qualified to carry out the obligations of the contract and to complete the work contemplated therein. Conditional bids will not be accepted.

1.05 STATEMENT OF QUALIFICATIONS FORM.

Date: March 20, 20119.

Proposal of RDH Site and Concrete, (hereinafter called "Bidder") a
LLC (Corporation, Partnership, LLC, LLP, etc.) organized and

existing under the laws of the State of Texas.

To the City of Pharr (hereinafter called "Owner").

Gentlemen:

The Bidder is in compliance with the Bidder's Qualifications Section(s) of the specifications for the **W. ZARAGOSA DRIVE AND S. SUGAR ROAD CONCRETE PAVING IMPROVEMENTS PROJECT**, having examined the plans and specifications with related documents and the site of the proposed work, and being familiar with all of the conditions surrounding the construction of the proposed project, hereby submits the following:

1.06 STATEMENT OF QUALIFICATIONS:

- A. Years of experience in similar type of projects:
- B. Work on similar type projects: Provide a minimum of four (6) similar type projects with the following information: Project Name, Location, Type or Description of Work, Construction Cost, Reference Name and Phone Number.
- C. Name of full-time superintendent and experience resume:
- D. Number of employees of the bidder that will be working on the project:
- E. Names of Subcontractors: Provide names of subcontractors for this project with the following information: Name, Location and Experience. The subcontractors shall have a minimum of three (3) years of experience.
- F. Provide information of available equipment:

PART 2 - P R O D U C T S - NOT USED

PART 3 - E X E C U T I O N - NOT USED

END OF SECTION

STATEMENT OF BIDDER'S QUALIFICATIONS

All questions must be answered and the data given must be clear and comprehensive. **This statement must be notarized.** If necessary, questions may be answered on separate attached sheets. The Bidder may submit any additional information it desires.

Date: 03/20/2019

Bidder (Legal Name of Firm): RDH Site and Concrete, LLC

Date Organized: 2011

Address : 3809 Clavel St. Suite D Palmview, Texas 78572

Date Incorporated 2014

Federal ID Number: 46-5377221

Number of Years in contracting business under present name 8 Years

List all other names under which your business has operated in the last 10 years:

RDH Site and Concrete, LLC

Work Presently Under Contract:

Contract	Amount \$	Completion Date
<u>*See Attachment Exhibit A & B*</u>		

Type of work performed by your company: Heavy Civil Construction, Underground Utilities, Drainage, Concrete, Asphalt, Road Repairs.

Total Staff employed by Firm (Break down by Managers and Trades on separate sheet):

MANAGERS (3) EQUIPMENT OPERATORS (8) COMMON LABORS (10) PROFESSIONALS (4)
CONCRETE LABOR (12) PLUMBERS (4)

Have you ever failed to complete any work awarded to you? ☐ Yes ☒ No
(If yes, please attach summary of details on a separate sheet. Include brief explanation of cause and resolution)

Have you ever defaulted on a contract? ☐ Yes ☒ No
(If yes, please attach summary of details on a separate sheet.)

Has your organization had any disbarments or suspensions that have been imposed in the past five years or that was still in effect during the five year period or is still in effect? ☐ Yes ☒ No

(If yes, list and explain; such list must include disbarments and suspensions of officers, principals, partners, members, and employees of your organization.)

List the projects most recently completed by your firm (include project of similar importance):

Project	*See Attachment Exhibit A & B*	Amount \$	Mo/Yr Completed

Major equipment available for this contract: *See Schedule C*

Are you in compliance with all applicable EEO requirements? ☒ Yes ☐ No
(If no, please attach summary of details on a separate sheet.)

Bank References

Address: 501 S. Shary Rd. Contact Name: Mr. Leo Lopez
City & State: Mission, Texas Zip: 78572 Phone Number: 956-997-0040

Credit available: \$ 200,000.00

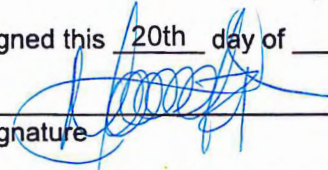
Has the firm or predecessor firm been involved in a bankruptcy or reorganization? ☐ Yes ☒ No
(If yes, please attach summary of details on a separate sheet.)

List on a sheet attached hereto all judgements, claims, arbitration proceedings, or suits pending or outstanding against bidder over the last five (5) years with amount of claim and brief description.

List on a sheet attached hereto all lawsuits or requested arbitration with regard to construction contracts which bidder has initiated within the last five (5) years and brief explanation of claim and outcome.

Attach resume(s) for the principal member(s) of your organization, including the officers as well as the proposed superintendent for the project.

Signed this 20th day of March, 2019.


Signature

Melissa Rosas - Office Manager
Printed Name and Title

RDH Site and Concrete, LLC
Company Name

Notary Statement:

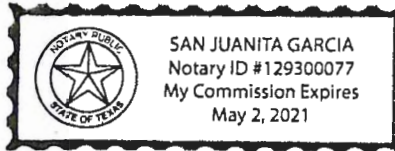
Melissa Rosas, being duly sworn, says that he/she is the
Position/Title Office Manager of RDH Site and Concrete, LLC (Firm Name), and hereby swears
that the answers to the foregoing questions and all statements therein contained are true and correct.
He/she hereby authorizes and requests any person, firm, or corporation to furnish any information
requested City/County of Hidalgo in verification of the recitals comprising this Statement
of Bidder's Qualifications.

Subscribed and sworn before me this 20th day of MARCH, 20 19.

Notary Public

SAN JUANITA GARCIA
Signature

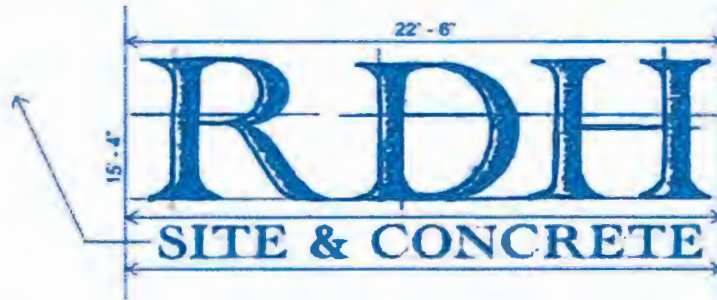
SAN JUANITA GARCIA
Printed Name



My Commission Expires: MAY 02 2021

The penalty for making false statements is prescribed in the U. S. Criminal Code, 18 U.S.C. 1001.

THIS FORM MUST BE RETURNED WITH YOUR BID



SCHEDULE C
LIST OF THE MAJOR EQUIPMENT

HEAVY MACHINERY	CONDITION	ACQUIRED VALUE
1998 JD 672CH Motograder	Good	39,460.83
2007 Ingersoll-Vibr Dbl Drum	Good	36,805.00
2010 John Deere Backhoe 310J	Good	43,300.00
Asphalt Reclaimer Bomag	Good	9,164.82
CAT Backhoe 416C	Good	38,587.50
CAT TR225B RECLAIMER	Good	10,716.33
Compactor Dynapac Trench Padfot	Good	3,500.00
Dynapac F25-4W Paver	Good	11,050.00
Hyster Pneumatic Roller	Good	12,000.00
Hyster Roller	Good	6,000.00
JD-Disk Harrow	Good	7,000.00
JD 624K Wheel Loader	Good	59,801.25
JD 644B Loader	Good	12,500.00
JD 770D Motograder	Good	65,809.99
JD Backhoe 4x4 (GMV)	Good	15,000.00
JD Motograder 770B	Good	39,057.05
John Deere 330LC Excavator	Good	55,790.00
John Deere AG Tractor-4230	Good	26,886.25
Kenco Smooth Drum Roller	Good	3,650.00
Lay-Mar Sweeper 3 Tire	Good	5,676.00
Roadtec RP180-10 Paver	Good	42,000.00
Terex SP2008 Sheep Foot	Good	16,000.00
Yanmar Mini Excavator	Good	14,000.00
Further Machinery Upon Request		



List of References for Similar Projects

Company Name: LeFevre Engineering & Management Consulting, LLC

Contact Person: Manuel

Address: 2802 S. Business Hwy 281 Edinburg, Texas 78539

Telephone Number: (956) 655-1325

E-Mail Address: N/A

Company Name: City of Mission

Contact Person: JP Terrazas

Address: 1201 E. 8th St., Mission, Tx. 78572

Telephone Number: 956-249-1402

E-Mail Address: jpterrazas@missiontexas.us

Company Name: Dannenbaum Engineering

Contact Person: Jesse Villegas

Address: 1109 W Nolana Ave Ste 208, McAllen, TX 78504

Telephone Number: (956) 227-2805

E-Mail Address: jesse.villegas@dannenbaum.com

Company Name: Hidalgo County Border Colonia Access Program

Contact Person: John Paul Lugo

Address: 1902 Joe Stephens Ave. Suite 101 Weslaco, TX 78599

Telephone Number: (956) 968-8733

E-Mail Address: Johnpaul.lugo@co.hidalgo.tx.us

Company Name: Hidalgo County Urban County Program

Contact Person: Monica Leal

Address: 427 Duranta Ave. Suite 107 Alamo, TX 78516

Telephone Number: (956) 787-8127

E-Mail Address: Monica.leal@co.hidalgo.tx.us

Company Name: R. Gutierrez Engineering

Contact Person: Ramiro Gutierrez

Address: 130 E. Park Ave. Pharr, TX 78577

Telephone Number: (956) 782-2557

E-Mail Address: office@rgec.net



Valley Striping Corporation

1616 E. Griffin Pkwy.
Mission, Tx 78572

Ph: 956-432-2444

ROGELIO DE HOYOS

1201 E. Moore Rd #89, Pharr, TX 78577 | 956-502-5426 | roy@rdhcompany.com

Objective

Utilize my skills and training in the construction industry to successfully take RDH Site and Concrete, LLC to the next construction level in Texas Department of Transportation contracts.

DEGREE | DATE EARNED | SCHOOL

- High School Diploma: 2000, Valley View ISD

CERTIFICATES | DATE EARNED | SCHOOL

- Blueprint Reading: 2012, Associated of General Contractors
- Concrete Finisher: 2013, American Concrete Institute

Skills & Abilities

- Overseen all activities and functions assigned to the construction project from start to finish
- Experience with small to large scale Governmental Projects
- Solid knowledge of construction Earthwork, Underground Utilities, Drainage, Concrete, Road and Highway Improvements
- Familiarity with federal, state and local safety regulations pertaining to job sites and locations
- Ability to read and interpret plans and specifications
- Ability to achieve compliance with the contract plans and specifications
- Ability to analyze and evaluate sales opportunities
- Ability to prepare cost breakdown, bidding documents and close contracts
- Supervised construction and reviewed construction schedule and guided the Engineer/Owner on delaying conditions
- Coordinated with the Engineers office and Owner
- Formulated documentation and written record on a daily basis with regard to the progress
- OSHA compliant documentation

Communication

- Excellent communication between office and field employees to implement work performance at its best.

Experience

OWNER | RDH SITE AND CONCRETE, LLC | DATES FROM: 08/2011-PRESENT

SUPERINTENDENT | MANUELS CONCRETE | DATES FROM: 1999-2011

- As-built drawings preparation, employee management, material estimating, safety plan monitoring, vendor relations, traffic control, construction meetings, osha regulations, daily reports

DIANALY DE HOYOS

1201 E. Moore Rd #89, Pharr, TX 78577 | 956-502-5426 | dianaly@rdhcompany.com

DEGREE | DATE EARNED | SCHOOL

- High School Diploma: 2003, La Joya High School

CERTIFICATES | DATE EARNED | SCHOOL

- Blueprint Reading: 2012, Associated of General Contractors

Skills & Abilities

- Experience with small to large scale Governmental Projects
- Solid knowledge of construction Earthwork, Underground Utilities, Drainage, Concrete, Road and Highway Improvements
- Familiarity with federal, state and local safety regulations pertaining to job sites and locations
- Ability to read and interpret plans and specifications
- Ability to achieve compliance with the contract plans and specifications
- Ability to analyze and evaluate sales opportunities
- Ability to prepare cost breakdown, bidding documents and close contracts
- Coordinated with the Engineers office and Owner
- Formulated documentation and written record on a daily basis with regard to the progress
- OSHA compliant documentation
- Estimating

Communication

- Excellent communication between office and field employees to implement work performance at its best.

Experience

GENERAL MANAGER | RDH SITE AND CONCRETE, LLC | DATES FROM: 08/2011-PRESENT

INTERNATIONAL BANK | DATES FROM: 2004-2007

Lead Teller, Cash Handling, Employee management, Timesheets, Money Exchange

EXHIBIT A & B

PROJECT INFORMATION SHEET

Project	Owner	Address	Phone #	Bid # / Contract #	Contract Amount	Engineer	Engineer Phone	Status
South Broadway Park & Ride Facility	City of McAllen	PO Box 220 McAllen, Tx 78505	(956) 681-4000	08-14-C38-365	\$ 139,827.87	Yvette Barrera, P.E., CFM, City Engineer		Complete
Weslaco ISD Roosevelt Elem. Parking Lot	Guzman & Munoz Engineering	2020 E. Expressway 83 Mercedes, Tx	(956) 565-4637			Guzman & Munoz Engineer	(281) 494-1230	Complete
City of Pharr Street Improvements	City of Pharr Public Works	1015 E. Ferguson Ave. (495) Pharr, Tx	(956) 402-4310					Complete
McColl Estates Sewer Improvements	City of Edinburg	415 W. University Dr., Edinburg, TX	(956) 227-2805	2015-96	\$ 306,413.00	Dannenbaum Engineering Company	(956) 968-8800	Complete
Rankin Subdivision Road and Drainage Improvements	Hidalgo County Precinct No. 4	1051 N. Doolittle Rd. Edinburg, Tx	(956) 383-3112	C-CAP-15-086-03-31	\$ 444,735.88	Dos Logistics	(281) 494-1230	Complete
Mercedes Nursing Home	SCI Construction, LTD.,	5467 New Copeland Rd. Tyler, Tx 75703	(903) 592-4311	Mercedes Nursing Home	\$ 921,708.50	Jordan & Associates Architects/ Guzman & Munoz Engineer	(956) 249-1402	Complete
30'B-B Curb & Gutter Pavement Access Road	City of Mission	1201 E. 8th St., Mission, Tx 78572	(956) 580-8650	16-070-12-07	\$ 92,000.00	JP Terrazas, City Engineer	(713) 626-4300	Complete
Knapp Medical Center	Jacob White Construction Co.	2000 W. Park Ave. Houston, Tx	(281) 286-6666	152004-004	\$ 471,840.75	Heitkamp Swift Architects / Guzman & Munoz Engineer	(956) 423-6826	Complete
Frontera Energy Plant	Arteche Mexico Turkey Solutions, S.A. De C	Calle 8, N 1-B Col. Fraccionamiento Alco Blanco	52 (55)41476000	C.4018-0018-02.03.01	\$ 442,119.20	(In House) PSI, Inc. Engineering Consultingong Testing	(956) 541-1155	Complete
Carrisitos Trail St. & Drainage Improvements	City of Los Indios	109 E. 6th St. Los Indios, Tx	(956) 399-4255	2015-2016 CDBG	\$ 181,179.34	Naismith Engineering, Inc	(956) 292-5928	Complete
TEX-MEX Ddrainage Ditch Improvements	Hidalgo County Drainage District No. 1	902 N. Doolittle Rd. Edinburg, Tx	(956) 292-7080	C-HCDD1-16-026-06-07	\$ 293,292.46	Jose N Saldivar P.E.	(956) 682-5022	Complete
Proposed Sidewalk Improvements on Nebraska Ave. & 1st. St.	City of San Juan	709 S. Nebraska St. San Juan, Tx 78589	(956) 223-2200	PB11509800867	\$ 123,555.00	Cruz-Hogan Consultants, Inc.	(956) 381-0981	Complete
St. Claire Expansion	City of Mission	1201 E. 8th St. Mission, Tx 78572	(956) 580-8650	16-252-06-24	\$ 91,679.00	Melden & Hunt, Inc., Consulting Engineers		Complete
Mile 6 W. & Mile 14 N. Area Drainage Improvements	Hidalgo County Drainage District No. 1	902 N. Doolittle Rd. Edinburg, Tx	(956) 292-7080	C-HCDD1-16-031B-08-09	\$ 343,525.00	Jorge A. Gonzalez, P.E.	(956) 687- 5362	Complete
					\$ 3,851,881.00			
2017	2017	2017	2017	2017				
Goolie Road Paving Improvements	Hidalgo County Precinct No. 1	2802 S. Business Hwy. 281 Edinburg, Tx 78539	(956) 968-8733	C-16-277-08-09	\$ 1,097,337.27	LeFevre Engineering & Management Consulting, LLC.		Complete
City of Weslaco Waterline Improvements	Hidalgo County Urban County Program	427 E. Duranta Ave. # 107 Alamo, Tx	(956) 787-8127	5015-80-0310-5000-8000-UCP	\$ 277,270.50	Cruz-Hogan Consultants, Inc.	(956) 682-5022	Complete
Discount Auto Parts			(956) 534-1447		\$ 6,640.00		(956) 782-2557	Complete
N. 17th Street Paving Improvements	City of Donna	307 S. 12th St. Donna, Tx 78537	(956) 464-3314	2016-001	\$ 358,977.85	R. Gutierrez Engeeneering Corporation	(956) 668-1588	Complete
Perkins Avenue 11st - 15st Drainage Improvements	City of Mission	1201 E. 8th St., Mission, Tx 78572	(956) 580-8650	17-128-03-02	\$ 592,070.00	Javier Hinojosa Engineering / Consulting Engineers		Complete
2017 Sidewalk & Bus. Stop Improvements	City of McAllen	PO Box 220 McAllen, Tx 78505	(956) 681-4000	0317c20233	\$ 296,140.00			Complete
Valley View ISD	City of Hidalgo	704 Ramon Ayala Dr. Hidalgo, Tx	(956) 843-2286		\$ 49,000.00			Complete
City of Mission Year 2017 St. Paving Improvements	City of Mission	1201 E. 8th St., Mission, Tx 78572	(956) 580-8650	17-140-03-23	\$ 549,620.00			Complete
City of Elsa Street Improvements E. Ciro Cacers St. Improvements	Hidalgo County Urban County Program	427 E. Duranta Ave. # 107 Alamo, Tx	(956) 787-8127	5016-25-0311-5000-2500-ucp-	\$ 102,732.00			Complete
Idela Parking Lot Renovations	City of McAllen	PO Box 220 McAllen, Tx 78505	(956) 681-4000	09-17-IPQ52-485	\$ 29,993.50	In House	(956) 681-1150	Complete
					\$ 3,359,781.12			
2018	2018	2018	2018	2018				
Nebraska Ave.-Cesar Chavez East 1,320 Paving Improvements	City of Alamo	420 N. Tower Rd. Alamo, TX 78516	(956) 787-0006	2017	\$ 252,316.00	Quintanilla, Headley & Associates	(956) 381-6480	Complete
City of San Perlita Street Improvements	City of San Perlita	14168 7th Street, San Perlita, TX 78590	(956) 248-5725	7216401	\$ 145,342.25	Fulcrum Consulting Services	(956) 797-3411	Complete
First Time Sewer Connections Project	City of San Juan	709 S. Nebraska St. San Juan, Tx 78589	(956) 223-2200	10441	\$ 1,433,301.00	Cruz-Hogan Consultants, Inc.	(956) 682-5022	Complete
2018 Street Improvements Kika De La Garza	City of Mission	1201 E. 8th St. Mission, Tx 78572	(956) 580-8650	18-130-02-07	\$ 458,040.00			Complete
Lift Station	City of Donna	307 S. 12th St. Donna, Tx 78537	(956) 464-3314	P198-015	\$ 525,866.00	LeFevre Engineering & Management Consulting, LLC.		In Progress
2012 Disaster Relief Drainage Improvements - Phase 2	Brooks County	625 N St. Mary's St. Falfurrias, TX. 78355	(361) 325-2420	13-193-000-7332	\$ 59,059.50	LNV Engineers	(361) 883-1984	Complete
Young Lateral Ditch Re-Grading & Hand Road Drainage Project	Town of Combes	21626 Hand Road Combes, Texas 78535	(956) 425-7131	DRS210031	\$ 87,175.00	R.E. Garcia Associates	(956) 381-1061	Complete
Mcintyre Railroad Pedestrian Crossing	City if Edinburg	415 W. University Dr. Edinburg, Tx 78541	(956) 388-8211	2018-19	\$ 45,626.00			In Progress
Paving & Drainage Improvements at the intersection of FM 802 & Dana Rd	City of Brownsville	1001 Elizabeth St. Brownsville, Tx 78521	(956) 548-6097	FDI-42-0618	\$ 130,913.00	Plagar Engineering, LLC	(956) 550-9939	Complete
Road & Drainage Construction of El Flaco Chiquito Subdivision	Hidalgo County Precinct No. 3				\$ 127,267.50	Javier Hinojosa Engineering / Consulting Engineers		Complete
North Ave. Street & Drainage Improvements Project	City of Mercedes	400 S. Ohio Ave. Mercedes, Tx 78570	(956) 565-3114		\$ 35,388.00	LeFevre Engineering & Management Consulting, LLC.		Complete
CDBG Street Improvements (Overlay) Project	City of Harlingen			2018-08	\$ 324,299.00			In Progress
Ann Marie Drive / Marinel Line Paving Improvements	City of Mission	1201 E. 8th St. Mission, Tx 78572	(956) 580-8650	18-260-08-02	\$ 463,540.00	Javier Hinojosa Engineering / Consulting Engineers	(956) 668-1588	In Progress
					\$ 4,088,133.25			
2019	2019	2019	2019	2019				
E. Harding Ave.	City of Alton	509 S. Alton Blvd. Alton, Tx 78573	(956) 432-0760		\$ 129,628.90	LeFevre Engineering & Management Consulting, LLC.	956-687-5362	In Progres
2019 Mercedes Bond Improvements Street Pavement Package 2	City of Mercedes	400 S. Ohio Ave. Mercedes, Tx 78570	(956) 565-3114	P105-038	\$ 723,001.50	LeFevre Engineering & Management Consulting, LLC.	956-687-5362	In Progres
Street Pavement Improvements at Plaza El Mago Drive	City of Brownsville	1001 Elizabeth St. Brownsville, Tx 78521	(956) 548-6097	PEM-07-1219	\$ 84,837.00			In Progres
*** More Projects Upon Request ***								

SECTION 00210
INSTRUCTION TO BIDDERS

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. This section contains the instructions to bidders for the project.

1.02 DEFINITIONS

- A. Refer to Section 0700

1.03 DOCUMENTS

- A. Contract Documents, including Drawings and Technical Specifications are on file online, at the City Engineer's Office located on the (4th Floor) and at the City's Purchasing Department's Office located on the (2nd Floor) at 118 S. Cage Blvd., Pharr, TX 78577.
- B. Potential Bidders are asked to post their questions on our bidding portal (<https://pharr.procureware.com>) under the tab labeled "Clarifications/Questions" under the relative project number.
- C. Bidders, suppliers, or sub-contractors may obtain electronic copies of the Bid Solicitation documents, Proposal Forms, and Contract Documents, at no cost, by visiting our bidding portal at <https://pharr.procureware.com>.
- D. Bidder should thoroughly examine and become familiar with the Bid Solicitation/Contract Documents, including, but not limited to, the plans, specifications, and any issued addendum(s). By execution of the Contract, the Bidder (Contractor) shall be responsible for any and all obligations under the Contract and failure by Contractor to become acquainted with the Contract Documents will not relieve Contractor from such obligations.

1.04 ADDENDA AND INTERPRETATIONS:

- A. No interpretations of the meaning of the plans, specifications, or other bid solicitation documents will be made orally to any bidder. Every request for such interpretation should be posted on our bidding portal and must be received at least five (5) days prior to the date fixed for the opening of bids to be given consideration. Any and all such interpretations and any supplemental instruction will be in the form of written addenda to the specifications which, if issued, will be sent via facsimile, mailed by regular mail, e-mailed, and/or posted on our bidding portal at <https://pharr.procureware.com>. All prospective bidders are advised to visit our bidding portal for the most current information. All addenda shall be posted on our bidding portal not later than two (2) days prior to the date fixed for the opening of bids. Failure of any bidder to receive any such addenda or interpretation shall not relieve such bidder from any obligation under his bid as submitted. All addenda so issued shall become part of the contract documents.

1.05 NOTICES

- A. The City of Pharr (Owner) reserves the right to accept or reject bids submitted waive formalities in bidding; accept the bid deemed most advantageous to the City of Pharr.
- B. Bids may be held by the Owner for a period not to exceed **ninety (90) days** from the date of the bid opening for the purpose of reviewing the bids and investigating the bidder's qualifications prior to the contract award.
- C. The Owner is an Affirmative Action and Equal Opportunity Employer.
- D. Small and minority firms are encouraged to submit bids for this project.

1.06 PREPARATION OF BID AND USE OF SEPARATE BID FORMS:

- A. These Contract and Specifications includes a complete set of bidding forms which are for the convenience of the bidders. Bid forms furnished in this document shall be copied by the bidder and should be filled in and submitted with all values completed in ink.
- B. One (1) Original bid and two (2) copies (labeled Copy 1 & Copy 2) must be submitted in a sealed envelope bearing on the outside the name of the bidder, his address, City, State, Zip code, Project Number, and the name of the project for which the bid is submitted. If forwarded by mail, the sealed envelope containing the bid must be enclosed in another envelope addressed as specified in the bid form.
- C. The use of subcontractors is allowed; however, the bidder is specifically advised that any person, firm, or other party to whom it is proposed to award a subcontract under this contract must be acceptable to the owner.

1.07 ELECTRONIC BID INSTRUCTIONS:

A. Bidders must go online to the City's Bidding Portal <https://pharr.procurement.com> to submit their bid prices. Bidders are asked to read the Welcome Screen and register if they have not done so previously. Once on the bidding portal, please follow the steps below to enter your electronic bid response:

1. Click on the **Bids** label located on the left-hand side of the page.
2. Find the applicable project and click the **Project Number** reflected in blue color.
3. Click on the Description tab and respond indicating your company's intent to bid.
4. Click on the **ReadytoBid** tab
5. On the **Questions** tab, respond to required questions and/or upload required documents.
6. Click on the **Pricing** tab and enter Unit Bid Prices for each item being bid. The Comment field and Alternate fields can be filled in if available. Don't forget to **Save** your information.
7. Once the **Questions** & **Pricing** tabs have been completed and saved, the **Submit Bid** button will become available.
8. Click on **Submit Bid**, review the terms & agreements which will appear as a Pop-up Window... the "Incomplete" Status will change to "Complete".
9. Click on **Accept and Submit this Bid** button.
10. Print your bid prices as inputted in Procurement and attach to your hardcopy sealed bid.

***If you need to remove your bid, Click on the **Withdraw Bid** button reflected in red. You may re-submit your bid at any time up to the published closing date & time. If you require any assistance, please contact the Purchasing Department.

1.08 MODIFICATION:

A. Bidder shall not modify bid by fax or other method at any time prior to the schedule closing time for receipt of bids.

1.09 METHOD OF BIDDING (UNIT PRICES) WHERE APPLICABLE:

A. The unit prices for each of the several items in the proposal of each bidder shall include its pro-rata share of overhead so that the sum of the products obtained by multiplying the quantity shown for each item by the unit price bid represents the total bid. Any bid not conforming to the requirement may be rejected as informal. The special attention of all bidders is called to this provision, for should conditions make it necessary to revise the quantities, no limit will be fixed for such increases or decreases in quantities, nor extra compensation allowed, provided the net monetary value of all such additive and subtractive changes in quantities of such items of work (i.e., difference in cost) shall not increase or decrease the original contract price by more than twenty-five (25%) percent, except for work not covered in the drawings and technical specifications and the Standard General Conditions for Construction Contract of agreement.

1.10 AWARDING OF CONTRACT

- A. THIS PROJECT WILL BE AWARDED TO BEST QUALIFIED CONTRACTOR THAT PROVIDES THE LOWEST RESPONSIVE RESPONSIBLE BID WITHIN BUDGET OR THE BEST VALUE TO THE CITY. THE CITY OF PHARR'S DECISION SHALL BE FINAL.
- B. Bidders must include all allowances, deductive, add, and/or alternative bid pricing as specified.
- C. Incomplete bids will not be considered.

If there is a discrepancy between prices quoted by written words or figures, the price quoted by words will govern.

1.11 BID SECURITY:

- A. Each bid must be accompanied by cash, certified cashier's check or a bid bond prepared on the form of bid bond attached hereto, duly executed by the bidder as principal and having as surety thereon a surety company approved by the owner, in the amount of not less than five (5%) percent of the bid. Such cash, checks, or bid bonds will be returned to all except the three lowest bidders within five (5) days after the opening of bids, and the remaining cash, checks, or bid bonds will be returned promptly after the Owner and the accepted bidder have executed the contract or if no award has been made, within ninety (90) days after the date of the opening of bids, upon demand of the bidder at any time thereafter, so long as he has not been notified of the acceptance of his bid.
- B. Liquidated damages for failure to enter into contract: The successful bidder, upon his failure or refusal to execute and deliver the contract and insurance certificates required within five (5) days after he has received notice of the acceptance of his bid, shall forfeit to the Owner, as liquidated damages for such failure or refusal, the security deposited with his bid.

1.12 PROJECT BONDING:

- A. On all contracts that will equal to or exceed \$100,000.00, the performance bond and the payment bond must be provided from a surety that is licensed in the State of Texas.
- B. In the event that the contract amount total(s) \$50,000 or less, the successful contractor has the option to enter into a single payment contract with the City of Pharr in lieu of a Performance Bond, provided that no money shall be paid to the contractor until completion of the work by the contractor and acceptance of same by the City of Pharr. In the event that the total amount bid is \$25,000 or less, the successful contractor has the option to enter into a single payment contract with the City of Pharr in lieu of a Payment and Performance Bond(s).
- C. Required performance bond must be written in the amount of 100% of the Contract amount.
- D. Required payment bond must be written in the amount of 100% of the Contract amount.

- E. All project(s) stemming from this contract will require a warranty on maintenance and defects to begin at acceptance of the project(s) and for the duration of one (1) year unless otherwise noted.

1.13 TIME OF COMPLETION AND LIQUIDATED DAMAGES:

- A. Bidder must agree to commence work within **five (5)** days of the written "Notice to Proceed" from the Owner and to complete the project within **sixty (60)** calendar days thereafter.
- B. Bidder must agree also to pay as liquidated damages the sum of **five hundred dollars (\$500)** per day for each consecutive calendar day thereafter as provided in the general conditions.

1.14 CONDITIONS OF WORK:

- A. Each bidder must inform himself fully of the conditions relating to the construction of the project and the employment of labor thereon. Failure to do so will not relieve a successful bidder of his obligation to furnish all material and labor necessary to carry out the provisions of his contract. Insofar as possible, the Contractor, in carrying out his work, must employ such methods or means as will not cause any interruption of, or interference with, the work of any other Contractor.

1.15 INSPECTION OF SITE:

- A. Bidder should visit the site(s) of the proposed work and become fully acquainted with the existing conditions of the site and with the facilities involved, with a special consideration to the difficulties and restrictions attending the performance of the Contract.

1.16 PAYMENT REQUESTS

- A. Contractor shall be expected to invoice the City of Pharr, at the awarded unit price(s), on a per project basis for completed items. All invoices shall reflect appropriate Purchase Order Number(s) as designated by the Purchasing Department.
 - 1. Contractor shall be expected to state on the request for payment (invoice) the Purchase Order Number, Project Number, Title of Project, the date(s) work was performed, the proper address where the work was performed, the type of work performed (line item descriptions), the quantity of work as per the unit of measure, the unit price, and the extended cost.

1.17 AUDIT

The City of Pharr reserves the right to audit the bidder's books and records relating to the performance of this contract. The City of Pharr, at its own expense, shall have the right at all reasonable times during normal business hours and upon at least twenty-four (24) hours' advance notice, to audit, to examine, and to make copies of or extracts from the books of account and records maintained by the vendor(s) with respect to the Supply/Service and/or Purchase Contract. If such audit shall disclose overpayment by City to vendor, written notice of such overpayment shall be provided to the vendor and the amount of overpayment shall be promptly reimbursed by vendor to the City. In the event any such overpayment is not paid within ten (10) business working days after receipt of such notice, the unpaid amount of such overpayment shall bear interest at the rate of one percent (1%) per month from the date of such notice until paid.

1.18 WORKING DAYS

Working Days - working days, except Saturdays, Sundays and City recognized holidays, if weather or other conditions permit the performance of the principle unit of work underway, as determined by the Engineer, for a continuous period of at least 7 hours between 7:00 a.m. and 6:00 p.m.

1.18 CHAPTER 2252.152 TEXAS GOVERNMENT CODE

TEXAS GOVERNMENT CODE CHAPTER 2252.152 CONTRACTS WITH COMPANIES ENGAGED IN BUSINESS WITH IRAN, SUDAN, OR FOREIGN TERRORIST ORGANIZATION PROHIBITED

- A. In accordance with Chapter 2252.152 of the Texas Government Code, Bidder is to acknowledge that Bidder does not engage in business with Iran, Sudan or any foreign terrorist organization and Bidder is not listed by the Texas Comptroller as a terrorist organization.

1.19 CHAPTER 2270 TEXAS GOVERNMENT CODE

TEXAS GOVERNMENT CODE CHAPTER 2270 PROHIBITION ON CONTRACTS WITH COMPANIES BOYCOTTING ISRAEL

- A. "In accordance with Chapter 2270, Texas Government Code, a government entity may not enter into a contract with a company for goods and services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of this contract.

Sample Wording: "Bidder hereby Acknowledges the Prohibition of Contracts with Foreign Terrorist Organizations and with the Boycotting of Israel. The signatory executing this contract on behalf of company hereby verifies that the company is not on the Texas Comptroller's list of terrorist organizations, is not engaged in business with Iran, Sudan or any foreign terrorist organization and will not boycott Israel throughout the term of this contract." (to be submitted on company letterhead with authorized signor(s) signature(s)).

1.20 CHAPTER 2253 TEXAS GOVERNMENT CODE – RETAINAGE

All Contract pay applications shall bear a retainage of five (5) percent (%) on each partial disbursement.

1.21 CONDITIONS OF WORK

- A. Each bidder must inform himself fully of the conditions relating to the construction of the project and the employment of labor thereon. Failure to do so will not relieve a successful bidder of his obligation to furnish all material and labor necessary to carry out the provisions of his contract. Insofar as possible, the Contractor, in carrying out his work, must employ such methods or means as will not cause any interruption of, or interference with, the work of any other Contractor.

1.22 INSPECTION OF SITE

- A. Bidder should visit the site of the proposed work and become fully acquainted with the existing conditions of the site and with the facilities involved, with a special consideration to the difficulties and restrictions attending the performance of the Contract.

1.23 EXPERIENCE AND WORKFORCE

- A. Bidder shall have experience, human resources and access to the equipment necessary for performing the project work. In addition, it is required that a minimum of 60% of the project be completed by the bidders' own workforce.

1.24 HOUSE BILL (H.B.) 1295 – “DISCLOSURE OF INTERESTED PARTIES”

In 2015, the Texas Legislature adopted House Bill 1295 (H.B. 1295) has been revised. *Portions of the text of subsection as amended by Acts 2017, 85th R.S., Ch. 526 (SB 255).*

(Changes identified by italicized text apply only to a contract entered into or amended on or after January 1, 2018).

**HOUSE BILL (H.B.) 1295 SEC. 2252.908. DISCLOSURE OF INTERESTED PARTIES
CONTINUED:**

(a) In this section:

- (1) "Business entity" means any entity recognized by law through which business is conducted, including a sole proprietorship, partnership, or corporation.
- (2) "Governmental entity" means a municipality, county, public school district, or special-purpose district or authority.
- (3) "Interested party" means a person who has a controlling interest in a business entity with whom a governmental entity or state agency contracts or who actively participates in facilitating the contract or negotiating the terms of the contract, including a broker, intermediary, adviser, or attorney for the business entity.
- (4) "State agency" means a board, commission, office, department, or other agency in the executive, judicial, or legislative branch of state government. The term includes an institution of higher education as defined by Section [61.003](#), Education Code.

(b) This section applies only to a contract of a governmental entity or state agency that:

- (1) requires an action or vote by the governing body of the entity or agency before the contract may be signed; or
- (2) has a value of at least \$1 million.

(c) Notwithstanding Subsection (b), this section does not apply to:

- (1) a sponsored research contract of an institution of higher education;*
- (2) an interagency contract of a state agency or an institution of higher education;*
- (3) a contract related to health and human services if:*
 - (A) the value of the contract cannot be determined at the time the contract is executed; and*
 - (B) any qualified vendor is eligible for the contract;*
- (4) a contract with a publicly traded business entity, including a wholly owned subsidiary of the business entity;*
- (5) a contract with an electric utility, as that term is defined by Section 31.002, Utilities Code; or*
- (6) a contract with a gas utility, as that term is defined by Section 121.001, Utilities Code.*

(d) A governmental entity or state agency may not enter into a contract described by Subsection (b) with a business entity unless the business entity, in accordance with this section and rules adopted under this section, submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency.

(e) The disclosure of interested parties must be submitted on a form prescribed by the Texas Ethics Commission that includes:

- (1) a list of each interested party for the contract of which the contracting business entity is aware; and*
- (2) a written, unsworn declaration subscribed by the authorized agent of the*

contracting business entity as true under penalty of perjury that is in substantially the following form:

*"My name is _____, my
date of birth is _____, and my address is*

*_____, _____, _____, _____,
(Street) (City) (State) (Zip Code)
_____.
(Country)*

*I declare under penalty of perjury that the foregoing is true and correct.
Executed in _____ County, State of _____, on the _____ day
of _____.
(Month) (Year)*

*_____
Declarant".*

(f) Not later than the 30th day after the date the governmental entity or state agency receives a disclosure of interested parties required under this section, the governmental entity or state agency shall submit a copy of the disclosure to the Texas Ethics Commission.

(g) The Texas Ethics Commission shall adopt rules necessary to implement this section, prescribe the disclosure of interested parties form, and post a copy of the form on the commission's Internet website.

Added by Acts 2015, 84th Leg., R.S., Ch. 1024 (H.B. 1295), Sec. 3, eff. September 1, 2015. Amended by Acts 2017, 85th Leg., R.S., Ch. 526 (SB 255, Sec. 5, eff. September 1, 2017).

<https://www.ethics.state.tx.us/tec/1295-Info.htm>

https://www.ethics.state.tx.us/whatsnew/FAQ_Form1295.html

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

As a business entity under this law, it is your firm's responsibility to comply with all disclosure laws including Chapter 2252. The City of Pharr as the governmental entity must ensure compliance of the same.

Note: You will be required to register and create an account. Once registered, you will receive an email containing a password setup link. Click on the link to set your password. After you have established an account, you will use your email address, password, and user type (Business Entity) to log in to the filing application to enter the required information on Form 1295. Print a copy of the completed form which includes a unique certification of filing number assigned by the application. An authorized agent of the business must sign the form and have the form notarized. The completed Form 1295 with an "unsworn declaration" certification with signature must be submitted at the time the signed contract is submitted to the City of Pharr. Failure to comply may result in contract revocation and award to the next compliant contractor/vendor.

END OF SECTION

SECTION 00300
BID PROPOSAL FORM

W. ZARAGOSA DRIVE AND S. SUGAR ROAD CONCRETE PAVING IMPROVEMENTS
PROJECT NO. #1819-86-510-C010-202
BID OPENING: MARCH 21, 2019 AT 3:00 P.M.

TO: OWNER (CITY OF PHARR)

The undersigned, as bidders, declares that the only person or parties interested in this proposal as principals are those named herein, that this proposal is made without collusion with any other person, firm or corporation; that he has carefully examined the form of contract, Notice to Contractors, specifications and the plans thereon referred to, and has carefully examined the plans, specification, locations, and conditions and classes of materials of the proposed work; and agrees that he will provide all the necessary labor, machinery, tools, and apparatus, and other items incidental to construction, and will do all the work and furnish all the materials called for in the contract and specifications in the manner prescribed therein and according to the requirements of the Engineer/Architect as therein set forth.

It is further agreed that the quantities of work to be done at unit prices and materials to be furnished may be increased or diminished as may be considered necessary, in the opinion of the Engineer, to complete the work fully as planned and contemplated, and that quantities of work, whether increased or decreased are to be performed at the unit prices set forth below or as provided in the Specifications.

It is further agreed that the lump sum prices may be increased to cover additional work ordered by the Engineer and approved by the OWNER, but not shown on the Plans or required by the Specifications, in accordance with the provisions of the General Conditions. Similarly, they may be decreased to cover deletion of work so ordered.

It is understood that the OWNER reserves the right to reject any and all bids.

BID PROPOSAL FORM MUST BE SUBMITTED IN TRIPLICATE FORM

Bidders are advised that a **formal Sealed Bid (hard-copy)** submittal **is required** and **an "Electronic" Bid Submittal**. As previously instructed via Invitation, Notice to Bidders, Instructions to Bidders, and at the Pre-Bid conference, Bidders must go online to the City's website to download any and all related project documents. Kindly submit your **Sealed Bid** and accompanying documents on or before the Bid Opening date & time. Kindly submit your **"Electronic" Bid** submittal through our bidding portal <http://pharr.procureware.com> uploading required documents on or before the Bid Opening date & time

Accompanying this proposal is a Bidder's Bond from a reliable surety company licensed to operate in the State of Texas or certified Cashier's Check, payable without recourse to the City of Pharr, for the amount of not less than five (5) percent (%) of the total amount bid serving as a guaranty that, if awarded the contract, the bidder will enter into a contract with the City of Pharr within the time specified.

BID PROPOSAL

The bid security accompanying this proposal shall be returned to the bidder, unless in case of the acceptance of the proposal, the bidder shall fail to execute a Contract and file a performance and payment bond within five (5) days after its acceptance, in which case the bid security shall become the property of City of Pharr and shall be considered as payment for damages due to delay and other inconveniences suffered by the OWNER on account of such failure of the bidder.

ENGINEER'S/ARCHITECT'S ESTIMATE OF QUANTITIES - APPROXIMATE ONLY

Bidder agrees to perform all work described in the specifications and shown on the plans, for the following price or prices:

ITEM NO.	DESCRIPTION	UNIT OF MEASURE	QTY
BASE BID A - WEST ZARAGOSA DRIVE			
1	Proof Roll Exist Caliche	SY	6,700
2	8 ½" Reinforced Concrete (4,400 psi)	SY	6,700
3	6" Curb & Gutter (24")	LF	3,000
4	72" Valley Gutter	LF	100
5	Handicap Ramps	EA	4
6	Erosion Control	LS	1
7	Striping	LS	1
8	Stop Sign Assembly with Street Names	EA	1
9	Type III Barricades	EA	3
10	Painted Fire Lane Designations on Curb (Red-30LF)	EA	5
11	Sanitary Sewer Ring & Cover Adjustment	EA	5
BASE BID B - SOUTH SUGAR ROAD			
12	Proof Roll Exist Caliche	SY	3,500
13	8 ½" Reinforced Concrete (4,400 psi)	SY	3,500
14	6" Curb & Gutter (24")	LF	1,600
15	Handicap Ramps	EA	2
16	Erosion Control	LS	1
17	Striping	LS	1
18	Stop Sign Assembly with Street Names	EA	1
19	Type III Barricades	EA	1
20	Painted Fire Lane Designations on Curb (Red-30LF)	EA	1

▼ PRICING RESPONSES (18 records)

	REFERENCE NUMBER	DESCRIPTION	UNIT OF MEASURE	QUANTITY	UNIT PRICE	EXT. BASE PRICE	COMMENT
☐	BASE BID A - WEST ZARAGOSA DRIVE						Sum: \$420,900.00
☐	2	8 1/2" Reinforced Concrete (4,400 psi)	SY	6,700.00	\$54.00	\$361,800.00	
☐	3	6" Curb & Gutter (24")	LF	3,000.00	\$13.00	\$39,000.00	
☐	4	72" Valley Gutter	LF	100.00	\$45.00	\$4,500.00	
☐	5	Handicap Ramps	EA	4.00	\$600.00	\$2,400.00	
☐	6	Erosion Control	LS	1.00	\$2,000.00	\$2,000.00	
☐	7	Striping	LS	1.00	\$7,000.00	\$7,000.00	
☐	8	Stop Sign Assembly with Street Names	EA	1.00	\$500.00	\$500.00	
☐	9	Type III Barricades	EA	3.00	\$400.00	\$1,200.00	
☐	10	Painted Fire Lane Designations on Curb (Red-30LF)	EA	5.00	\$200.00	\$1,000.00	
☐	11	Sanitary Sewer Ring & Cover Adjustment	EA	5.00	\$300.00	\$1,500.00	
☐	BASE BID B - SOUTH SUGAR ROAD						Sum: \$221,200.00
☐	13	8 1/2" Reinforced Concrete (4,400 psi)	SY	3,500.00	\$54.00	\$189,000.00	
☐	14	6" Curb & Gutter (24")	LF	1,600.00	\$13.00	\$20,800.00	
☐	15	Handicap Ramps	EA	2.00	\$600.00	\$1,200.00	
☐	16	Erosion Control	LS	1.00	\$2,000.00	\$2,000.00	
☐	17	Striping	LS	1.00	\$7,000.00	\$7,000.00	
☐	18	Stop Sign Assembly with Street Names	EA	1.00	\$500.00	\$500.00	
☐	19	Type III Barricades	EA	1.00	\$400.00	\$400.00	
☐	20	Painted Fire Lane Designations on Curb (Red-30LF)	EA	1.00	\$300.00	\$300.00	

TOTAL SUM: \$642,100.00

BID PROPOSAL SUMMARY: "REVISED"

BASE BID A - SUBTOTAL (ITEMS ~~12~~-11 (WEST ZARAGOSA DRIVE)): \$ 420,900.00
BASE BID B - SUBTOTAL (ITEMS ~~12~~13-20 (SOUTH SUGAR RD)): \$ 221,200.00
TOTAL AMOUNT BID (BASE BID A & BASE BID B): \$ 642,100.00

Six Hundred Fourty Two Thousand One Hundred Dollars and Zero Cents.

TOTAL AMOUNT BID (BASE BID A & BASE BID B (Written in Words))

In the event of the award of a Contract to the undersigned, the undersigned will furnish a performance and payment bond for the full amount of the Contract, to secure proper compliance with the terms and provisions of the Contract, to insure and guarantee payment of all lawful claims for labor performed and materials furnished in the fulfillment of the Contract.

The proposed work to be done shall be accepted when fully completed and finished in accordance with the Plan and Specifications to the satisfaction of the Engineer.

Number of working days for substantial completion of contract 45 (not to exceed Forty-five (45) calendar days).

Number of working days to complete contract 60 (not to exceed Sixty (60) calendar days).

The undersigned certifies that the bid prices contained in this Proposal have been carefully checked and are submitted as correct and final.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of ninety (90) days after the scheduled closing for receiving bids.

Unit and lump sum prices must be shown in figures for each item listed in the Bid Proposal form. Should bid prices on any item be omitted, the right is reserved to apply the lowest prices submitted by and other bidders for the omitted items in payment for work done under this Proposal. In the event of discrepancies, the Owner reserves the right to accept or reject in formalities.

The undersigned agrees, unless hereinafter stated otherwise to furnish all materials as shown on the Specifications and Detail sheets.

Bidder hereby agrees to commence work under this contract within ~~ten (10)~~ **five (5) days** after notice to PROCEED is issued and complete the work within **Sixty (60) calendar days.**

Receipt is hereby acknowledged of the following addenda to the Contract Document:

Addendum No. 1 Dated: 03/15/19 Received: 03/18/19

Addendum No. 2 Dated: _____ Received: _____

Addendum No. 3 Dated: _____ Received: _____

Bidder agrees that the Owner has the right to accept or reject any or all bids and to waive any or all formalities.

Date: 03/20/19

Respectfully Submitted:


Authorized Signor

Melissa Rosas

Type/Print Name (Authorized Signor)

Office Manager

Title

RDH Site and Concrete, LLC

Legal Company Name

3809 Clavel St. Suite D

Address

Palmview, Tx 78572

City, State, Zip

956-502-5426

Business Phone

956-784-1366

Cell Number

dianaly@rdhcompany.com

E-Mail Address

(Seal - If bidder is a Corporation)

END OF SECTION



**CITY OF PHARR
CONCRETE PAVING IMPROVEMENTS – W. ZARAGOZA AND S. SUGAR ROAD**

PROJECT NO.: 1819-86-510-C010-202

BID OPENING DATE: March 21, 2019 at 3:00 p.m.

ADDENDUM NO. 1

Prospective bidders are advised that for purposes of this project, all original bid requirements and Addendum No. 1 requirements as expressed herein shall be considered part of the bid package. As such, bidders are advised to recognize and comply with all aspects of this bid.

Clarifications:

Bidders are advised to replace the Bid Proposal Form Page 00300-3 with [Page 00300-3R](#). Bidders are to DELETE any reference to Item No. 1 and No. 12 on the Bid Proposal Form.

Bidders are advised to Replace the following paragraphs with the following language. (Letter of Award, Agreement, and Notice to Proceed shall be modified respectively).

TO READ:

INSTRUCTIONS TO BIDDERS PARAGRAPH: (Section 00210)

1.11 BID SECURITY: (PAGE 00210-4)

- B. Liquidated damages for failure to enter into contract: The successful bidder, upon his failure or refusal to execute and deliver the contract and insurance certificates required within ~~ten (10)~~ [five \(5\)](#) days after he has received notice of the acceptance of his bid, shall forfeit to the Owner, as liquidated damages for such failure or refusal, the security deposited with his bid.

1.13 TIME OF COMPLETION AND LIQUIDATED DAMAGES: (Page 00210-5)

- A. Bidder must agree to commence work within ~~ten (10)~~ [five \(5\)](#) days of the written "Notice to Proceed" from the Owner and to complete the project within sixty (60) calendar days thereafter.

BID PROPOSAL: (Section 00300, Page 00300-2)

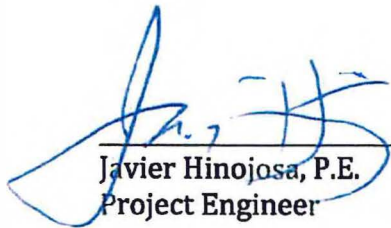
The bid security accompanying this proposal shall be returned to the bidder, unless in case of the acceptance of the proposal, the bidder shall fail to execute a Contract and file a performance and payment bond within ~~ten (10)~~ [five \(5\)](#) days after its acceptance, in which case the bid security shall become the property of City of Pharr and shall be considered as payment for damages due to delay and other inconveniences suffered by the OWNER on account of such failure of the bidder.

AGREEMENT: (Section 00410, Page 00410-1)

ARTICLE 1. TIME OF COMPLETION:

The Owner shall provide a Notice to Proceed in which a date for commencement of the work shall be stated; such commencement date shall be ~~ten (10)~~ **five (5) days** after the date of the notice. The Contractor shall achieve substantial completion of the work within **Forty-Five (45) Calendar days** for initial task order after such commencement date (future task orders shall express commencement date & completion date "as needed") and completion within **Sixty (60) Calendar days** after the substantial completion. The completion date may be extended by approved Change Orders.

CONTRACTOR IS TO ACKNOWLEDGE ALL ADDENDUM(S) ON ORIGINAL BID PROPOSAL FORM.


Javier Hinojosa, P.E.
Project Engineer



3/15/19
Date



Sandra Zamora, CPM
Purchasing Director

March 15, 2019
Date

03/20/19

/sz

Rdh Site B Concrete, LLC 

All **Addenda** issued in respect to this project shall be considered official changes to the original bidding documents. It shall be the Respondent(s) responsibility to ensure that all Addenda have been received. Furthermore, respondents are advised that they must comply with and recognize all Addendum(s) on bid proposal form. Respondent(s) signature on bid proposal form shall be interpreted as the bidder's "recognition and compliance to" official changes as outlined by the City of Pharr and as such are made part of the original solicitation/bidding documents.

SECTION 00310
BID SUBMITTAL CHECKLIST

PART 1 - GENERAL

1.01 BID INFORMATION

- A. Bidder: RDH Site and Concrete, LLC
- B. Prime Contract: RDH Site and Concrete, LLC
- C. Project Name: **W. ZARAGOSA DRIVE AND S. SUGAR ROAD CONCRETE PAVING IMPROVEMENTS**
- D. Project Location: **Pharr TX, 78577**
- E. Owner: City of Pharr, Mr. Alex Meade, City Manager
- F. Owner Project Number: **1819-86-510-C010-202**
- G. Consultant: **(DESIGNED BY JAVIER HINOJOSA ENGINEERING.)**
- H. Consultant Project Number: **956-668-1588**

1.02 BIDDER'S CHECKLIST

- A. In an effort to assist the Bidder in properly completing all documentation required, the following checklist is provided for the Bidder's convenience. The Bidder is solely responsible for verifying compliance with bid submittal requirements.
- B. Attach this completed checklist to the outside of the Submittal envelope.
- ☒ Used the Bid Proposal Form provided in the Project Manual.
 - ☒ Prepared the Bid Form as required by the Instructions to Bidders. (Section 00210)
 - ☒ Attached to the Bid Form: Bid Bond OR a certified cashier's check in the amount of five percent (5%) as required. (Section 00300 P. 1)
 - ☒ Indicated on all pricing as required, to include Sub-totals & Totals. (Section 00300 P. 2-4)
 - ☒ Attached to the Bid Form: Bid Supplement Form - Allowances. (Not Applicable)
 - ☐ Attached to the Bid Form: Bid Supplement Form - Extra Unit Prices. (Not Applicable)
 - ☐ Attached to the Bid Form: Proposed Schedule of Manufacturers/Suppliers. (Not Applicable)
 - ☒ Attached to the Bid Form: Bidder Qualifications. (Section 00180 P. 1 & 2)
 - ☒ Indicated on the Bid Form the Addenda received. (Section 00300 P. 4)
 - ☒ Signature Page (signed). (Section 00300 P. 4)
 - ☒ Bid envelope shows name and address of the Bidder.
 - ☐ Bid envelope shows the Bidder's Contractor's License Number.
 - ☒ Bid envelope shows name of Project Number and Project name being bid.
 - ☒ Bid envelope shows time and day of Bid Opening.
 - ☐ Verified that the Bidder can provide executed Performance Bond and Payment Bond (Labor and Material Bond).
 - ☐ Verified that the Bidder can provide Certificates of Insurance in the amounts indicated.

SECTION 00410
AGREEMENT

STATE OF TEXAS
COUNTY OF HIDALGO

THIS AGREEMENT, made and entered into this the ____ day of ____ A.D., 2019, by and between **THE CITY OF PHARR** of the State of Texas, acting through Mayor of the City of Pharr thereunto duly authorized so to do, Party of the First Part, hereinafter called OWNER, and **RDH Site and Concrete, LLC** Party of the Second Part hereinafter termed CONTRACTOR.

WITNESSETH, that the Contractor and the Owner for the consideration hereinafter named agree as follows:

ARTICLE 1. SCOPE OF WORK:

The contractor shall under the terms stated in the general conditions furnish all the materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, and other accessories shown on addendum's, drawings as described in the specifications for the following project.

PROJECT NO. #1819-86-510-C010-202
W. ZARAGOSA DRIVE AND S. SUGAR ROAD CONCRETE PAVING IMPROVEMENTS

ARTICLE 2. INSURANCE AND BONDS:

The contractor shall according to the specifications shall provide Performance and Payment Bonds and Insurance during the duration of the project.

ARTICLE 3. TIME OF COMPLETION:

The Owner shall provide a Notice to Proceed in which a date for commencement of the work shall be stated; such commencement date shall be **five (5) days** after the date of the notice. The Contractor shall achieve substantial completion of the work within **Forty-Five (45) Calendar days** for initial task order after such commencement date (future task orders shall express commencement date & completion date "as needed") and completion within **Sixty (60) Calendar days** after the substantial completion. The completion date may be extended by approved Change Orders.

If the contractor fails to complete this contract in the calendar days specified, the time charge will be made for each calendar day thereafter.

The time set forth in the proposal for the completion of the work is an essential element of the contract. For each calendar day in addition to the calendar days herein before stated as extended by the Owner, the amount per day given in the following schedule will be deducted from the money due or to become due to the Contractor not as a penalty, but as added expense for Engineering/Architectural supervision.

ARTICLE 4. SCOPE OF THE WORK AND CONTRACT SUM:

The Contractor hereby agrees to furnish all of the materials and all of the equipment and labor necessary and to perform all of the work shown on the drawings and described in the specifications for the

(a) Drawings prepared for same by **Javier Hinojosa, P.E., Javier Hinojosa Engineering.**

(b) Specifications consisting of:

1. "Standard General Specifications" issued by the CITY OF PHARR and as issued in the contract documents.

2. The "General Conditions for Engineering/Architectural Construction".

3. Addenda

NO. 1 DATED 03-15-19

NO _____ DATED _____

ARTICLE 5. AWARD OF CONTRACT:

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

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

BY SIGNING BELOW, the parties have executed and bound themselves to this Agreement as of the day and year first above written.

CONTRACTOR

CITY OF PHARR

By: _____
Authorized Signor

By: _____
Authorized Signor

(name) – (title)

Alex Meade, City Manager
(name) – (title)

Date: _____

Date: _____

ATTEST:

By: _____
Signature

By: _____
Signature

(name) – (title)

Sandra Zamora, Purchasing Director
(name) – (title)

END OF SECTION

SECTION 00450

BID BOND

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. This section describes the standardized bid bond form to be submitted with the bid on the project.

1.02 DEFINITIONS

- A. Refer to Section 0700

1.03 BID BOND FORMS

- A. Bidder is to inset an original bid bond or a copy of cashier's check provided for bid bond Purposes. Original check is to be submitted along with bid.

PART 2 - PRODUCT - NOT USED

PART 3 - EXECUTION

3.01 GENERAL

- A. Standardized forms follow

KNOW ALL MEN BY THESE PRESENTS, that we the undersigned RDH Site and Concrete, LLC as Principal, and Endurance American Insurance Company as Surety, are hereby held and firmly bound unto the CITY OF PHARR as OWNER in the penal sum of five percent (5% of bid amount) for the payment of which sum, well and truly to be made, we hereby jointly and severally bind ourselves, successors and assigns.

Signed, this 21st day of March, 2019.
(Day) (Month)

The Condition of the above obligation is such that whereas the Principal has submitted to **CITY OF PHARR** a certain BID, attached hereto and hereby made a part hereof to enter into a contract in writing for the construction.

PROJECT NO. #1819-86-510-C010-202
W. ZARAGOSA DRIVE AND S. SUGAR ROAD CONCRETE PAVING IMPROVEMENTS

NOW, THEREFORE,

- (A. If said BID shall be rejected, or in the alternate
- (B. If said BID shall be accepted and the Principal shall execute and deliver a contract in the Form of Contract attached hereto (properly completed in accordance with said BID) and shall furnish a BOND for his faithful performance of said contract, and for the payment of all persons performing labor or furnishing materials in connection therewith and shall in all other respects perform the agreement created by the acceptance of said BID then this obligation shall be void, otherwise the same shall remain in force and effect; it being expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees that the obligations of said Surety and its BOND shall be in no way impaired or affected by any extension of the time within which the OWNER may accept such BID; and said Surety does hereby waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

RDH Site and Concrete, LLC
Principal

Deamaly De Hayes
Witness

Endurance American Insurance Company
Surety

Chandler Fann
Witness Chandler Fann

By: Attorney-in-Fact Russ Frenzel

IMPORTANT - Surety companies executing BONDS must be authorized to transact business in the State where the project is located.

END OF SECTION

Policyholder Notice

TEXAS - IMPORTANT NOTICE

To obtain information or make a complaint:
You may call the company's telephone number for
information or to make a complaint at:

1-877-676-7575

You may write the Company at:

Endurance American Insurance Company
Attention: Surety
750 Third Avenue
New York, NY 10017

You may contact the Texas Department of
Insurance to obtain information on companies,
coverages, rights or complaints at:

1-800-252-3439

You may write the

Texas Department of Insurance
PO Box 149104
Austin, TX 78714-9104
FAX# (512) 490-1007

Web: <http://www.tdi.texas.gov>

E-mail: ConsumerProtection@tdi.texas.gov

PREMIUM OR CLAIM DISPUTES: Should you have a
dispute concerning your premium or about a claim
you should contact the company first. If the dispute
is not resolved, you may contact the Texas
Department of Insurance.

ATTACH THIS NOTICE TO YOUR POLICY: This notice
is for information only and does not become a part
or condition of the attached document.

AVISO IMPORTANTE

Para obtener informacion o para someter una
queja:
Usted puede llamar al numero de telefono de la
compania para informacion o para someter una
queja al:

1-877-676-7575

Usted tambien puede escribir a:

Endurance American Insurance Company
Attention: Surety
750 Third Avenue
New York, NY 10017

Puede comunicarse con el Departamento de
Seguros de Texas para obtener informacion acerca
de companias, coberturas, derechos o quejas al:

1-800-252-3439

Puede escribir al

Departamento de Seguros de Texas
PO Box 149104
Austin, TX 78714-9104
FAX# (512) 475-1771

Web: <http://www.tdi.texas.gov>

E-mail: ConsumerProtection@tdi.texas.gov

DISPUTAS SOBRE PRIMAS O RECLAMOS: Si tiene
una disputa concerniente a su prima o a un
reclamo, debe comunicarse con la compania
primero. Si no se resuelve la disputa, puede
entonces comunicarse con el departamento (TDI).

UNA ESTE AVISO A SU POLIZA: Este aviso es solo
para proposito de informacion y no se convierte en
parte o condicion del documento adjunto.

POWER OF ATTORNEY

Know all Men by these Presents, that ENDURANCE AMERICAN INSURANCE COMPANY, a Delaware corporation (the "Corporation"), with offices at 750 Third Avenue, New York, NY 10017, has made, constituted and appointed and by these presents, does make, constitute and appoint BROCK BALDWIN, MICHAEL B. HILL, BRENT BALDWIN, WILLIAM D. BALDWIN, BRADY K. COX, RUSS FRENZEL, BLAINE ALLEN, TRENAE DONOVAN, TONIE PETRANEK, KEITH ROGERS its true and lawful Attorney(s)-in-fact, at DALLAS in the State of TX and each of them to have full power to act without the other or others, to make, execute, seal and deliver for and on its behalf bonds, undertakings or obligations in surety or co-surety with others, also to execute and deliver on its behalf renewals, extensions, agreements, waivers, consents or stipulations relating to such aforesaid bonds, undertakings or obligations provided, however, that no single bond or undertaking so made, executed and delivered shall obligate the Corporation for any portion of the penal sum thereof in excess of the sum of TEN MILLION Dollars (\$10,000,000).

Such bonds and undertakings for said purposes, when duly executed by said attorney(s)-in-fact, shall be binding upon the Corporation as fully and to the same extent as if signed by the President of the Corporation under its corporate seal attested by its Corporate Secretary.

This appointment is made under and by authority of certain resolutions adopted by the Board of Directors of the Corporation by unanimous written consent on the 21st day of July, 2011, a copy of which appears below under the heading entitled "Certificate".

This Power of Attorney is signed and sealed by facsimile under and by authority of the following resolution adopted by the Board of Directors of the Corporation by unanimous written consent on the 21st day of July, 2011 and said resolution has not since been revoked, amended or repealed:

RESOLVED, that in granting powers of attorney pursuant to certain resolutions adopted by the Board of Directors of the Corporation by unanimous written consent on the 21st day of July, 2011 the signature of such directors and officers and the seal of the Corporation may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signature or seal shall be valid and binding upon the Corporation in the future with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, the Corporation has caused these presents to be duly signed and its corporate seal to be hereunto affixed and attested this 16th day of June, 2017 at New York, New York.

(Corporate Seal)

ATTEST

RICHARD M. APPEL, SENIOR VICE PRESIDENT

ENDURANCE AMERICAN INSURANCE COMPANY

By

BRIAN BEGGS, EXECUTIVE VICE PRESIDENT

STATE OF NEW YORK
COUNTY OF NEW YORK

ss: MANHATTAN

On the 16th day of June, 2017 before me personally came BRIAN BEGGS to me known, who being by me duly sworn, did depose and say that (s)he resides in NEW YORK, NEW YORK that (s)he is a EXECUTIVE VICE PRESIDENT of ENDURANCE AMERICAN INSURANCE COMPANY, the Corporation described in and which executed the above instrument; that (s)he knows the seal of said Corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Corporation, and that (s)he signed his (her) name thereto by like order (Notarial Seal).



Nicholas James Benenati

Nicholas James Benenati, Notary Public - My Commission Expires 12/07/2019

CERTIFICATE

STATE OF NEW YORK
COUNTY OF WESTCHESTER

ss: MANHATTAN

I, CHRISTOPHER SPARRO, the PRESIDENT of ENDURANCE AMERICAN INSURANCE COMPANY, a Delaware Corporation (the "Corporation"), hereby certify:

1. That the original power of attorney of which the foregoing is a copy was duly executed on behalf of the Corporation and has not since been revoked, amended or modified; that the undersigned has compared the foregoing copy thereof with the original power of attorney, and that the same is a true and correct copy of the original power of attorney and of the whole thereof;
2. The following are resolutions which were adopted by the Board of Directors of the Corporation by unanimous written consent on 21st day of July, 2011 and said resolutions have not since been revoked, amended or modified:

"RESOLVED, that each of the individuals named below is authorized to make, execute, seal and deliver for and on behalf of the Corporation any and all bonds, undertakings or obligations in surety or co-surety with others and to execute and deliver for and on behalf of the Corporation renewals, extensions, agreements, waivers, consents or stipulations relating to such aforesaid bonds, undertakings or obligations:

RICHARD M. APPEL, BRIAN BEGGS

And be it further

RESOLVED, that each of the individuals named above is authorized to appoint attorneys-in-fact for the purpose of making, executing, sealing and delivering bonds, undertakings or obligations in surety or co-surety for and on behalf of the Corporation."

3. The undersigned further certifies that the above resolutions are true and correct copies of the resolutions as so recorded and of the whole thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal this 21st day of March, 2019.

(Corporate Seal)



Christopher Sparro

CHRISTOPHER SPARRO, PRESIDENT

Any reproductions are void.

Primary Surety Claims Submission: suretybondclaims@sompo-intl.com

Surety Claims Hotline: 877-676-7575

Mailing Address: Surety Claims Department, 750 Third Avenue - 10th Floor, New York, NY 10017

SECTION 00510
NOTICE OF AWARD

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. This section describes the standardized Notice of Award form for use in the project.

1.02 DEFINITIONS

- A. Refer to Section 0700

PART 2 - NOT USED

PART 3 - EXECUTION (FORMS ON FOLLOWING PAGES)

3.01 GENERAL

- A. Standardized form follows

NOTICE OF AWARD

March 25, 2019

Melissa Rosas, Office Manager
RDH Site and Concrete, LLC
3809 Clavel St., Suite D
Palmview, TX 78572

**RE: PROJECT NO. #1819-86-510-C010-202
W. ZARAGOSA DRIVE AND S. SUGAR ROAD CONCRETE PAVING IMPROVEMENTS**

Ms. Rosas,

This letter serves to officially inform you that the City Commission, at their meeting of March 25, 2019, Item: 5A awarded your company the above referenced Construction Contract in the amount of **\$642,100.00**. The contract shall commence upon issuance of NTP dated and completed within 60 calendar days.

Attached please find Five (5) sets of contracts for execution. Signed contract documents, and insurances must be submitted to the undersigned within ten (10) days of notification/receipt of this letter. Required insurance(s) shall remain active for the duration of the contract period.

Properly executed Payment and Performance Bonds shall be required and in strict accordance as outlined in the Instructions to Bidders.

Contract documents must be as follows:

1. **Five (5)** original construction contracts must be submitted with the correct contractor's legal name as registered with the Texas Secretary of State.
2. The parties to the construction contract must be the City of Pharr acting through its City Commission and the contractor's legal name.
3. Performance and Payment Bonds must be provided in the amount of 100% of the contract award amount (correct contractor's legal name as registered with the Texas Secretary of State).
4. Insurance certificate must be provided and kept up-to-date with the City of Pharr named as the additional insured to include a waiver of subrogation, in favor of the City of Pharr.
5. Form 1295 Disclosure https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm
6. List of subcontractors with proper certificates of insurance must be provided.

Kindly coordinate these services with Omar Anzaldua or his designated representative by calling (956) 402-4221. If any additional information is needed, please call the undersigned at **(956) 402-4231**. I would like to take this opportunity to thank you for your participation on this project and for your interest in our great City of Pharr.

Respectfully,

Sandra Zamora, CPM,
Purchasing Director

City of Pharr, 118 S. Cage Blvd., Pharr, TX 78577

APPROVAL OF SUB-CONTRACTORS

PROJECT NO. #1819-86-510-C010-202

W. ZARAGOSA DRIVE AND S. SUGAR ROAD CONCRETE PAVING IMPROVEMENTS

Prime contractors will not permit any Sub-contractor to start work on the project until the Sub-contractor has been approved by the project owner.

NAME AND ADDRESS OF PRIME CONTRACTOR:					
SUB-CONTRACT DATA					
NUMBER	TYPE OF WORK	SUB-CONTRACTORS NAME & ADDRESS	CONTRACT AMOUNT	ANTICIPATED START DATE	ANTICIPATED END DATE

CERTIFICATION BY PRIME CONTRACTOR

Each Sub-contractor listed above has established his/her ability and responsibility to perform the work to which the sub-contract relates. The applicable provisions of the contract, including labor and equal opportunity provisions, shall govern the work to which the subcontract relates, and each subcontractor has been advised as to the necessary contract provisions and the requirement to incorporate them in each subcontract.

CONTRACTOR

DATE

APPROVED:	CONCUR:
-----------	---------

END OF SECTION

SECTION 00550
NOTICE TO PROCEED

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. This section describes the standardized Notice to Proceed form for use in the project.

1.02 DEFINITIONS

- A. Refer to Section 0700

PART 2 - PRODUCT - NOT USED

PART 3 - EXECUTION (FORMS ON FOLLOWING PAGES)

3.01 GENERAL

- A. Standardized form follows

NOTICE TO PROCEED

Date

Melissa Rosas, Office Manager
RDH Site and Concrete, LLC
3809 Clavel St., Suite D
Palmview, TX 78572

RE: **PROJECT NO. 1819-86-510-C010-202**
W. ZARAGOSA DRIVE AND S. SUGAR ROAD CONCRETE PAVING IMPROVEMENTS
Project Location: Pharr, TX

Contract Amount: \$642,100.00

This is to inform you that **RDH Site and Concrete, LLC** may proceed with the construction of the above referenced project as of **(date)**. The construction period for this project will be **Sixty (60)** consecutive calendar days. The construction time will expire on **(date)**. Please review and abide by the construction plans and specifications throughout the execution of the work. Please submit a proposed construction schedule to the **Omar Anzaldua Jr., P.E.** for concurrence as soon as possible. Failure to submit the proposed construction schedule may delay payments. If there are any questions, please call (956) 402-4221.

Alex Meade,
City Manager

CC: Edward Wylie, Deputy City Manager
Sandra Zamora, CPM, Purchasing Director
Omar Anzaldua Jr., P.E., City Engineer

END OF SECTION

SECTION 00620
PERFORMANCE AND PAYMENT BOND

PART 1 - GENERAL

1.01 SECTION INCLUDES DEFINITIONS

- A. Refer to Section 0700

1.02 PERFORMANCE AND PAYMENT BOND (OR BONDS)

- A. Following the current Section, Contractor shall insert the approved form of the statutory surety bond or bonds to ensure the performance of the Contract and payment of labor and materials. In addition to the corporation signatures of the surety company (ies) on the bond(s), each bond should be countersigned by the surety company's attorney-in-fact, authorize to act within the State in which the Project is situated.
- B. The following form is provided for sample purposes only. Contracts and agreements have important legal consequences. It is imperative that you consult with your attorney concerning the proper drafting, completion, or modification of such documents.

1.03 PERFORMANCE AND PAYMENT BONDING REQUIREMENTS

- A. Pursuant to the Texas Uniform Grant and Contract Management Act of 1981, the following minimum requirements apply to all contracts exceeding \$25,000 in total value:
 - 1. Performance bond on the part of the contractor for 100% percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under the contract. Only if specifically noted in the Instructions to Bidders (Section 00210), for contracts under \$50,000, Owner may exercise an option of withholding payment to construction contractors until completion of construction and acceptance of work by the Owner in lieu of such performance bonds.
 - 2. A payment bond on the part of the contractor for 100% percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

PART 2 - PRODUCT - NOT USED

PART 3 - EXECUTION (FORMS ON FOLLOWING PAGES)

3.01 GENERAL

- A. Standardized forms follow

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, THAT _____

(Name of Contractor or Company)

(Address)

a _____ hereinafter called Principal, and _____
(Corporation/Partnership)

(Name of Surety Company)

(Address)

hereinafter called Surety, are held and firmly bound unto _____

(Name of Recipient)

(Recipient's Address)

hereinafter called OWNER, in the penal sum of _____ (_____) dollars in lawful money of the United States, for the payment of which sum we bind ourselves, our successors, and assigns, jointly and severally, by these presents.

THE CONDITION OF THIS OBLIGATION is such that whereas, the Principal entered into a certain contract with the OWNER dated the _____ day of _____, 201__, a copy of which is hereto attached and made part thereof for the construction of:

PROJECT NO. #1819-86-510-C010-202
W. ZARAGOSA DRIVE AND S. SUGAR ROAD CONCRETE PAVING IMPROVEMENTS

PERFORMANCE BOND

NOW THEREFORE, if the Principal shall well, truly and faithfully perform its duties in all the undertakings, covenants, terms, conditions, and agreement of said contract during the original term thereof, and any extensions thereof which may be granted by the OWNER, with or without notice to the Surety and during the one year guaranty period, and if it shall satisfy all claim and demands incurred under such contract, and shall fully indemnify and save harmless the OWNER from all costs and damages which it may suffer by reason of failure to do so, and shall reimburse and repay the OWNER all outlay and expense which the OWNER may incur in making good any default, then this obligation shall be void, otherwise to remain in full force and effect.

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 WORK to be performed thereunder or the SPECIFICATIONS accompanying the same shall in any way 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 or to the SPECIFICATIONS.

PROVIDED, FURTHER, that no final settlement between the OWNER and the CONTRACTOR shall abridge the right of any beneficiary hereunder, whose claim may be unsatisfied.

IN WITNESS WHEREOF, this instrument is executed in four counterparts, each one of which shall be deemed an original, this the _____ day of _____ A.D., 20____.

ATTEST:

(Principal) Secretary
(SEAL)

Witness as to Principal

(Address)

ATTEST:

(Surety) Secretary
(SEAL)

Witness as to Surety

(Address)

Principal

Signature

(Print/Type Name)

(Address)

Surety

Attorney-in-Fact (Signature)

(Print/Type Name)

(Address)

NOTE: Date of Bond must not be prior to date of Contract (1) Correct name of Contractor; (2) A Corporation, a Partnership or an Individual, as case may be; (3) Correct name of Surety; (4) Correct name of Owner; (5) County or Parish and State; (6) Owner; (7) If Contractor is Partnership, all partners should execute bond.

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS, THAT _____

(Name of Contractor or Company)

(Address)

a _____ hereinafter called Principal, and
(Corporation/Partnership)

(Name of Surety Company)

(Address)

hereinafter called Surety, are held and firmly bound unto _____

(Name of Recipient)

(Recipient's Address)

hereinafter called OWNER, in the penal sum of (_____) (_____), dollars in lawful money of the United States, for the payment of which sum we bind ourselves, our successors, and assigns, jointly and severally, by these presents.

THE CONDITION OF THIS OBLIGATION is such that whereas, the Principal entered into a certain contract with the OWNER dated the _____ day of _____, 201____, a copy of which is hereto attached and made part thereof for the construction of:

PROJECT NO. #1819-86-510-C010-202

W. ZARAGOSA DRIVE AND S. SUGAR ROAD CONCRETE PAVING IMPROVEMENTS

NOW THEREFORE, if the Principal shall promptly make payment to all persons, firms, SUB-CONTRACTORS, and corporations furnishing materials for or performing labor in the prosecution of the WORK provided for in such contract, and any authorized extension or modification thereof, including all amounts due for materials, lubricants, oil, gasoline, coal and coke, repairs on machinery, equipment and tools, consumed or used in connection with the construction of such WORK, and all insurance premiums on said WORK, and for all labor, performed in such WORK whether by SUB-CONTRACTOR or otherwise, then this obligation shall be void; otherwise to remain in full force and effect.

PAYMENT BOND

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 WORK to be performed thereunder or the SPECIFICATIONS accompanying the same shall in any way 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 or to the SPECIFICATIONS.

PROVIDED, FURTHER, that no final settlement between the OWNER and the CONTRACTOR shall abridge the right of any beneficiary hereunder, whose claim may be unsatisfied.

IN WITNESS WHEREOF, this instrument is executed in four counterparts, each one of which shall be deemed an original, this the _____ day of _____ A.D., 20____.

ATTEST:

(Principal) Secretary
(SEAL)

Witness as to Principal

(Address)

ATTEST:

(Surety) Secretary
(SEAL)

Witness as to Surety

(Address)

Principal

Signature

(Print/Type Name)

(Address)

Surety

Attorney-in-Fact (Signature)

(Print/Type Name)

(Address)

NOTE: Date of Bond must not be prior to date of Contract (1) Correct name of Contractor; (2) A Corporation, a Partnership or an Individual, as case may be; (3) Correct name of Surety; (4) Correct name of Owner; (5) County or Parish and State; (6) Owner; (7) If Contractor is Partnership, all partners should execute bond.

END OF SECTION

SECTION 00700
TERMS AND DEFINITIONS

PART 1 - GENERAL

Whenever the following terms, titles, or abbreviations are used in these Specifications or in any document or instrument where these Specifications govern, the intent and meaning shall be as herein defined. Working titles having a masculine gender, such as "workman" and "journeyman" and the pronoun "he", are utilized in the specifications for the sake of brevity, and are intended to refer to persons of either gender.

1.01 ABBREVIATIONS

AAN	American Association of Nurserymen
AASHTO	American Association of State Highway and Transportation Officials
AC	Asphalt Concrete
ACI	American Concrete Institute
AI	Asphalt Institute
AIA	American Institute of Architects
AIEE	American Institute of Electrical Engineers
AISC	American Institute of Steel Construction AISI American Iron and Steel Institute
ANSI	American National Standards Institute, Inc. APA American Plywood Association
API	American Petroleum Institute
APWA	American Public Works Association
ARA	American Railway Association
AREA	American Railway Engineering Association
ASA	American Standards Association
ASCE	American Society of Civil Engineers
ASME	American Society of Mechanical Engineers
ASTM	American Society for Testing and Materials
AWG	American Wire Gage
AWS	American Welding Society
AWWA	American Water Works Association
CRSI	Concrete Reinforcement Steel Institute
CSI	Construction Specifications Institute
CY	Cubic

EA	Each
EP	Edge of Pavement
FS	Federal Specifications
IEEE	The Institute of Electrical and Electronics Engineers
IES	Illuminating Engineering Society
INV	Invert
ISA	International Society of Arboriculture
LB	Pound
LF	Linear Feet
LS	Lump Sum
MSS	Manufacturer's Standardization Society of the Valve and Fitting Industry Standards
MUTCD	Manual Uniform Traffic Control Devices
NBFU	National Board of Fire Underwriters
NEC	National Electrical Code
NEMA	National Electrical Manufacturers Association
NFPA	National Fire Protection Association
NSF	National Sanitation Foundation OSHA Occupational Safety and Health Act PCA Portland Cement Association
PCC	Portland Cement Concrete
PG	Performance Grade
SD	Storm Drain
SF	Square Foot/Feet
SS	Sanitary Sewer
SSPWC	Standard Specifications for Public Works Construction
STA	Station
TOC	Top of Curb
Typ.	Typical
TxDOT	Texas Department of Transportation
UL	Underwriters' Laboratories, Inc.

1.02 DEFINITIONS

Acceptance -- The formal written acceptance by the City of the entire Contract which has been completed in all respects in accordance with the Specifications and any approved modifications.

Addenda -- Any written change, clarification or supplement to documents issued for bidding issued by the City or its Engineer prior to bid.

Agency -- Shall mean the City of Pharr, or another agency or district that may adopt these Specifications, acting through its authorized representatives.

Allowance -- An amount of money set aside under the Contract for a special purpose identified in the Contract.

Architect and/or Consulting Engineer -- A person or persons, firm, partnership, joint venture, corporation, or combination thereof or authorized representative thereof, acting in the capacity of consultant to the City of Pharr. The Architect or Consulting Engineer shall issue directions to the Contractor only through the City of Pharr. When the Specifications require that approval be obtained from the Architect or Consulting Engineer, such approval shall be requested from and be given by the City of Pharr.

As-Builts -- See "Record Drawings".

As Shown, Etc. -- Where "as shown", "as latest indicated", "as detailed", or words of similar import are used, the reference is to the Contract unless specifically stated otherwise. Where "as directed", "as permitted", "approved", or words of similar import are used, they shall mean the direction, permission, or approval of the City of Pharr.

Award -- The decision to accept the proposal by the city council of the lowest responsible bidder for the Work, subject to the execution and approval of a satisfactory contract therefore and bond to secure the performance thereof, and to such other conditions as may be specified or required by law.

Bid -- When submitted on the prescribed bid form, properly signed and guaranteed, the Bid constitutes the offer of the Bidder to complete the Work at the price shown on the Bidder's bid form.

Bid Bond -- The cash, cashier's check, certified check, or bidder's bond accompanying the bid submitted by the bidder, as a guarantee that the bidder will enter into a Contract with the City for the performance of Work herein described.

Bidder -- Any person, persons, firm, partnership, joint venture, corporation, or combination thereof, submitting a Bid for the Work, acting directly or through a duly authorized representative.

Bid Documents -- The sum of the documents that comprise the Bid by a Bidder to perform the Work.

Bid Opening -- The event conducted by the City of Pharr during which the sealed Proposals submitted by Bidders to perform the Work are opened and publicly read.

Bid Security -- The cash, cashier's check, certified check, or bidder's bond accompanying the bid submitted by the bidder, as a guarantee that the bidder will enter into a Contract with the City for the performance of Work herein described.

Calendar Day -- Every day shown on the calendar. When the Contract Time is stated in Calendar Days, every day will be charged toward the Contract Time.

City -- The City of Pharr, a political sub-division of the County of Hidalgo and the State of Texas.

Claim -- A separate demand by the contractor for (i) a time extension, (ii) payment of money or damages arising from work done by or on behalf of the contractor pursuant to the contract for a public work and payment of which is not otherwise expressly provided for or the claimant is not otherwise entitled to, or (iii) an amount the payment of which is disputed by the City.

Contract -- The written agreement signed by the City of Pharr and the Contractor covering the Work and the furnishing of labor, materials, tools, and equipment in the construction of the Work. The Contract shall include the Notice to Contractors, Bid, Plans, Specifications, Special Provisions, contract bonds, and any project-specific specifications or documents; also any and all supplemental agreements amending or extending the Work contemplated and which may be required to complete the Work in a substantial and acceptable manner. Supplemental agreements are written agreements covering alterations, amendments, or extensions to the Contract and include Contract Change Orders.

Contract Change Order -- A Contract amendment approved by the City of Pharr that includes, but is not limited to, alterations, deviations, additions to, or deletions from, the Contract which are required for the proper completion of the Work.

Contract Documents -- The Contract Documents are the collective term for all of the documents listed in Article I of the Contract.

Contracting Officer -- The City Manager of the City of Pharr or the City Manager's representative authorized to enter into a contract on behalf of the City of Pharr.

Contractor -- The person or persons firm, partnership, joint venture, corporation, or combination thereof, private or municipal, who (that) has (have) entered into a Contract, as defined in these Specifications, with the City of Pharr.

Contract Time -- The time stated in the Contract for completion of the Work. The Contract Time may be a single allotment of time, a group of times specific to portions of the Work, or a combination of the two.

Council Member -- A member of the City of Pharr City Council.

Datum -- The Figures given in the Specifications or upon the drawings after the word "Elevation" or an abbreviation of it, shall mean U.S.G.S datum, unless otherwise noted.

Days -- Unless otherwise designated, days as used in the Contract Documents shall mean calendar days.

Elevation -- The figures given on the Plans or in the other Contract Documents after the word "Elevation" or abbreviation of it shall mean the distance in feet above the standard datum used by the City.

Engineer -- The City Engineer for which work will be done under these Specifications, acting personally or through agents or assistants duly authorized by the Director.

Estimated Quantities -- The list of items of work and the estimated quantities associated with the Work. The Estimated Quantities provide the basis for the Bid.

Extra Work -- Work other than that required either expressly or implied by the Contract in its executed form.

Field Instructions -- Direction given, in writing, by a City representative.

Haul Route -- Route for ingress and egress of materials hauled to and from a project site within the City limits.

Inspector -- The person or persons authorized to act as agent(s) for the City of Pharr in the inspection of the Work.

Major Bid Item -- Five percent (5%) of the total contract bid price.

Notice To Contractors -- The written notice whereby interested parties are informed of the date, location, and time of the Bid Opening of a proposed City of Pharr Project and the terms and conditions of submitting Bids to perform the Work.

Notice To Proceed -- The written authorization by the City of Pharr to the Contractor specifying the date the Work may begin and any conditions regarding the beginning of the Work.

Or Equal -- The term "or equal" shall be understood to indicate that the "equal" product be the equivalent or better than the product named in function, performance, reliability, quality, and general configuration. Determination of equality in reference to the project design requirements will be made by the Engineer.

Plans -- The plans, drawings, profiles, cross sections, Working Drawings, and Supplemental Drawings, or reproductions thereof, approved by the City of Pharr, which show the locations, character, dimensions, and details of the Work.

Plant -- All physical, resources, facilities, machinery, equipment, staging, tools, work and storage space other than provided by the Contract, together with subsidiary essentials and necessary maintenance for proper construction and acceptable completion of the project.

Project -- Shall mean the Work.

Project Manager -- The person designated by the City as its project management representative during the course of construction, acting either directly or through properly authorized agents, such agents acting within the scope of the particular duties delegated to them.

Proposal -- Shall mean "Bid".

Record Drawings -- Drawings prepared by the Engineer that document changes to, additions to, or deductions from the Plans, and which represent the Work as constructed.

Schedule of Values -- A statement furnished by the Contractor to the City of Pharr reflecting the portions of the Total Contract Price allotted for the various parts of the Work for each work activity contained on the project schedule. Unless otherwise indicated in the Specifications, the total of the Schedule of Values shall equal the full cost of the Work, including all labor, material, equipment, overhead, and profit. For lump sum contracts, the Schedule of Values is the basis for reviewing the Contractor's application for progress payments.

Shop Drawings -- Drawings prepared by the fabricator or supplier showing the layout and details of components fabricated in a shop for inclusion in the permanent facility (e.g., structural steel, reinforcing steel, railings).

Site -- The area upon or in which the Contractor's operations are carried on and such other areas adjacent thereto as may be designated by the Engineer.

Special Provisions -- The Special Provisions are specific clauses setting forth conditions or requirements peculiar to the Work and supplementary to these Standard Construction Specifications.

Standard Construction Specifications -- The directions, provisions, and requirements contained herein. When the term "Standard Specifications" or "these Specifications" is used, it means the provisions as set forth herein, together with any amendments or revisions that may be set forth in the Special Provisions. The Standard Specifications are comprised of "General Provisions" and "Technical Provisions".

Standard Drawings -- The Standard Drawings of the City of Pharr, which are incorporated into the Standard Construction Specifications, and made a part of the Plans by reference to one or more specific Standard Drawings.

State -- The State of Texas.

State Specifications -- The version of the Standard Specifications of the State of Texas, Department of Transportation, in effect at the time of Notice to Contractors.

Subcontractor -- A properly licensed party under contract to and responsible to the Contractor for performing a specified part of the Work; or a properly licensed party under contract and responsible to a Subcontractor of the Contractor.

Supplemental Conditions -- Additions, revisions, special directions, and requirements peculiar to a project site and not otherwise thoroughly set forth in General and/or Specifications.

Supplemental Drawing -- Supplemental Drawings define the Plans or Specifications in greater detail by providing additional information that may have not been specifically or clearly shown or called out on the Plans or in the specifications.

Technical Provisions -- The provisions of the Standard Construction Specifications that describe the technical aspects of the Work.

Total Contract Price -- The total price for the Work as bid by the Contractor, including any additions or subtractions made via Contract Change Orders.

Work -- All actions which the Contractor is contractually required to do as specified, indicated, shown, contemplated, or implied in the Contract to construct the Work, including all alterations, amendments, or extensions made by Contract Change Order or other written orders or directives of the City of Pharr. Unless specified otherwise in the Contract, the Work includes furnishing all materials, supplies, equipment, tools, labor, transportation, supervision, and all incidentals necessary to complete the Work.

Working Day -- Any day except: (a) Saturdays, Sundays, and legal holidays; (b) days on which the Contractor is specifically required by the Special Provisions or by law to suspend construction operations; or (c) days on which the Contractor is prevented from proceeding with the current controlling operation or operations of the Work for at least five (5) hours per day due to inclement weather, or conditions resulting immediately therefrom; or (d) as defined in the executed contract.

Working Drawing -- Working Drawings detail a particular item of work and the manner in which it is to be accomplished or performed. Working Drawings are prepared by the Contractor as a submittal or a portion of a submittal and may be specifically requested by the City of Pharr or required in the Contract or a Field Instruction or other written directive.

Written Notice -- "Written Notice" shall be deemed to have been duly served when delivered in person to the individual or to a member of the firm or to an officer of the corporation for whom it is intended, or if delivered at or sent by U.S. mail to the last business address known to him who gives the notice.

END OF SECTION

This document has important legal consequences; consultation with an attorney is encouraged with respect to its use or modification. This document should be adapted to the particular circumstances of the contemplated Project and the controlling Laws and Regulations.

SECTION 00710

**STANDARD GENERAL CONDITIONS
OF THE CONSTRUCTION CONTRACT**

Prepared by



Issued and Published Jointly by



STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

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ARTICLE 1 – DEFINITIONS AND TERMINOLOGY

1.01 *Defined Terms*

- A. Wherever used in the Bidding Requirements or Contract Documents, a term printed with initial capital letters, including the term's singular and plural forms, will have the meaning indicated in the definitions below. In addition to terms specifically defined, terms with initial capital letters in the Contract Documents include references to identified articles and paragraphs, and the titles of other documents or forms.
1. *Addenda*—Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the proposed Contract Documents.
 2. *Agreement*—The written instrument, executed by Owner and Contractor, that sets forth the Contract Price and Contract Times, identifies the parties and the Engineer, and designates the specific items that are Contract Documents.
 3. *Application for Payment*—The form acceptable to Engineer which is to be used by Contractor during the course of the Work in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Contract Documents.
 4. *Bid*—The offer of a Bidder submitted on the prescribed form setting forth the prices for the Work to be performed.
 5. *Bidder*—An individual or entity that submits a Bid to Owner.
 6. *Bidding Documents*—The Bidding Requirements, the proposed Contract Documents, and all Addenda.
 7. *Bidding Requirements*—The advertisement or invitation to bid, Instructions to Bidders, Bid Bond or other Bid security, if any, the Bid Form, and the Bid with any attachments.
 8. *Change Order*—A document which is signed by Contractor and Owner and authorizes an addition, deletion, or revision in the Work or an adjustment in the Contract Price or the Contract Times, or other revision to the Contract, issued on or after the Effective Date of the Contract.
 9. *Change Proposal*—A written request by Contractor, duly submitted in compliance with the procedural requirements set forth herein, seeking an adjustment in Contract Price or Contract Times, or both; contesting an initial decision by Engineer concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents; challenging a set-off against payments due; or seeking other relief with respect to the terms of the Contract.
 10. *Claim*—(a) A demand or assertion by Owner directly to Contractor, duly submitted in compliance with the procedural requirements set forth herein: seeking an adjustment of Contract Price or Contract Times, or both; contesting an initial decision by Engineer concerning the requirements of the Contract Documents or the acceptability of Work under the Contract Documents; contesting Engineer's decision regarding a Change Proposal; seeking resolution of a contractual issue that Engineer has declined to address; or seeking other relief with respect to the terms of the Contract; or (b) a demand or assertion by Contractor directly to Owner, duly submitted in compliance with the procedural requirements set forth herein, contesting Engineer's decision regarding a Change Proposal; or seeking resolution of a contractual issue that Engineer

has declined to address. A demand for money or services by a third party is not a Claim.

11. *Constituent of Concern*—Asbestos, petroleum, radioactive materials, polychlorinated biphenyls (PCBs), hazardous waste, and any substance, product, waste, or other material of any nature whatsoever that is or becomes listed, regulated, or addressed pursuant to (a) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq. (“CERCLA”); (b) the Hazardous Materials Transportation Act, 49 U.S.C. §§5501 et seq.; (c) the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq. (“RCRA”); (d) the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; (e) the Clean Water Act, 33 U.S.C. §§1251 et seq.; (f) the Clean Air Act, 42 U.S.C. §§7401 et seq.; or (g) any other federal, state, or local statute, law, rule, regulation, ordinance, resolution, code, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.
12. *Contract*—The entire and integrated written contract between the Owner and Contractor concerning the Work.
13. *Contract Documents*—Those items so designated in the Agreement, and which together comprise the Contract.
14. *Contract Price*—The money that Owner has agreed to pay Contractor for completion of the Work in accordance with the Contract Documents. .
15. *Contract Times*—The number of days or the dates by which Contractor shall: (a) achieve Milestones, if any; (b) achieve Substantial Completion; and (c) complete the Work.
16. *Contractor*—The individual or entity with which Owner has contracted for performance of the Work.
17. *Cost of the Work*—See Paragraph 13.01 for definition.
18. *Drawings*—The part of the Contract that graphically shows the scope, extent, and character of the Work to be performed by Contractor.
19. *Effective Date of the Contract*—The date, indicated in the Agreement, on which the Contract becomes effective.
20. *Engineer*—The individual or entity named as such in the Agreement.
21. *Field Order*—A written order issued by Engineer which requires minor changes in the Work but does not change the Contract Price or the Contract Times.
22. *Hazardous Environmental Condition*—The presence at the Site of Constituents of Concern in such quantities or circumstances that may present a danger to persons or property exposed thereto. The presence at the Site of materials that are necessary for the execution of the Work, or that are to be incorporated in the Work, and that are controlled and contained pursuant to industry practices, Laws and Regulations, and the requirements of the Contract, does not establish a Hazardous Environmental Condition.
23. *Laws and Regulations; Laws or Regulations*—Any and all applicable laws, statutes, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.

24. *Liens*—Charges, security interests, or encumbrances upon Contract-related funds, real property, or personal property.
25. *Milestone*—A principal event in the performance of the Work that the Contract requires Contractor to achieve by an intermediate completion date or by a time prior to Substantial Completion of all the Work.
26. *Notice of Award*—The written notice by Owner to a Bidder of Owner's acceptance of the Bid.
27. *Notice to Proceed*—A written notice by Owner to Contractor fixing the date on which the Contract Times will commence to run and on which Contractor shall start to perform the Work.
28. *Owner*—The individual or entity with which Contractor has contracted regarding the Work, and which has agreed to pay Contractor for the performance of the Work, pursuant to the terms of the Contract.
29. *Progress Schedule*—A schedule, prepared and maintained by Contractor, describing the sequence and duration of the activities comprising the Contractor's plan to accomplish the Work within the Contract Times.
30. *Project*—The total undertaking to be accomplished for Owner by engineers, contractors, and others, including planning, study, design, construction, testing, commissioning, and start-up, and of which the Work to be performed under the Contract Documents is a part.
31. *Project Manual*—The written documents prepared for, or made available for, procuring and constructing the Work, including but not limited to the Bidding Documents or other construction procurement documents, geotechnical and existing conditions information, the Agreement, bond forms, General Conditions, Supplementary Conditions, and Specifications. The contents of the Project Manual may be bound in one or more volumes.
32. *Resident Project Representative*—The authorized representative of Engineer assigned to assist Engineer at the Site. As used herein, the term Resident Project Representative or "RPR" includes any assistants or field staff of Resident Project Representative.
33. *Samples*—Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and that establish the standards by which such portion of the Work will be judged.
34. *Schedule of Submittals*—A schedule, prepared and maintained by Contractor, of required submittals and the time requirements for Engineer's review of the submittals and the performance of related construction activities.
35. *Schedule of Values*—A schedule, prepared and maintained by Contractor, allocating portions of the Contract Price to various portions of the Work and used as the basis for reviewing Contractor's Applications for Payment.
36. *Shop Drawings*—All drawings, diagrams, illustrations, schedules, and other data or information that are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work. Shop Drawings, whether approved or not, are not Drawings and are not Contract Documents.

37. *Site*—Lands or areas indicated in the Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements, and such other lands furnished by Owner which are designated for the use of Contractor.
38. *Specifications*—The part of the Contract that consists of written requirements for materials, equipment, systems, standards, and workmanship as applied to the Work, and certain administrative requirements and procedural matters applicable to the Work.
39. *Subcontractor*—An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work.
40. *Substantial Completion*—The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms “substantially complete” and “substantially completed” as applied to all or part of the Work refer to Substantial Completion thereof.
41. *Successful Bidder*—The Bidder whose Bid the Owner accepts, and to which the Owner makes an award of contract, subject to stated conditions.
42. *Supplementary Conditions*—The part of the Contract that amends or supplements these General Conditions.
43. *Supplier*—A manufacturer, fabricator, supplier, distributor, materialman, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or a Subcontractor.
44. *Technical Data*—Those items expressly identified as Technical Data in the Supplementary Conditions, with respect to either (a) subsurface conditions at the Site, or physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities) or (b) Hazardous Environmental Conditions at the Site. If no such express identifications of Technical Data have been made with respect to conditions at the Site, then the data contained in boring logs, recorded measurements of subsurface water levels, laboratory test results, and other factual, objective information regarding conditions at the Site that are set forth in any geotechnical or environmental report prepared for the Project and made available to Contractor are hereby defined as Technical Data with respect to conditions at the Site under Paragraphs 5.03, 5.04, and 5.06.
45. *Underground Facilities*—All underground pipelines, conduits, ducts, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or attachments, and any encasements containing such facilities, including but not limited to those that convey electricity, gases, steam, liquid petroleum products, telephone or other communications, fiber optic transmissions, cable television, water, wastewater, storm water, other liquids or chemicals, or traffic or other control systems.
46. *Unit Price Work*—Work to be paid for on the basis of unit prices.
47. *Work*—The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction; furnishing, installing, and incorporating all materials and equipment into such construction; and may include related services such as testing, start-up, and commissioning, all as required by the Contract Documents.

48. *Work Change Directive*—A written directive to Contractor issued on or after the Effective Date of the Contract, signed by Owner and recommended by Engineer, ordering an addition, deletion, or revision in the Work.

1.02 Terminology

- A. The words and terms discussed in the following paragraphs are not defined but, when used in the Bidding Requirements or Contract Documents, have the indicated meaning.
- B. *Intent of Certain Terms or Adjectives:*
1. The Contract Documents include the terms “as allowed,” “as approved,” “as ordered,” “as directed” or terms of like effect or import to authorize an exercise of professional judgment by Engineer. In addition, the adjectives “reasonable,” “suitable,” “acceptable,” “proper,” “satisfactory,” or adjectives of like effect or import are used to describe an action or determination of Engineer as to the Work. It is intended that such exercise of professional judgment, action, or determination will be solely to evaluate, in general, the Work for compliance with the information in the Contract Documents and with the design concept of the Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise). The use of any such term or adjective is not intended to and shall not be effective to assign to Engineer any duty or authority to supervise or direct the performance of the Work, or any duty or authority to undertake responsibility contrary to the provisions of Article 10 or any other provision of the Contract Documents.
- C. *Day:*
1. The word “day” means a calendar day of 24 hours measured from midnight to the next midnight.
- D. *Defective:*
1. The word “defective,” when modifying the word “Work,” refers to Work that is unsatisfactory, faulty, or deficient in that it:
 - a. does not conform to the Contract Documents; or
 - b. does not meet the requirements of any applicable inspection, reference standard, test, or approval referred to in the Contract Documents; or
 - c. has been damaged prior to Engineer’s recommendation of final payment (unless responsibility for the protection thereof has been assumed by Owner at Substantial Completion in accordance with Paragraph 15.03 or 15.04).
- E. *Furnish, Install, Perform, Provide:*
1. The word “furnish,” when used in connection with services, materials, or equipment, shall mean to supply and deliver said services, materials, or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.
 2. The word “install,” when used in connection with services, materials, or equipment, shall mean to put into use or place in final position said services, materials, or equipment complete and ready for intended use.

3. The words “perform” or “provide,” when used in connection with services, materials, or equipment, shall mean to furnish and install said services, materials, or equipment complete and ready for intended use.
 4. If the Contract Documents establish an obligation of Contractor with respect to specific services, materials, or equipment, but do not expressly use any of the four words “furnish,” “install,” “perform,” or “provide,” then Contractor shall furnish and install said services, materials, or equipment complete and ready for intended use.
- F. Unless stated otherwise in the Contract Documents, words or phrases that have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with such recognized meaning.

ARTICLE 2 – PRELIMINARY MATTERS

2.01 *Delivery of Bonds and Evidence of Insurance*

- A. *Bonds*: When Contractor delivers the executed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner such bonds as Contractor may be required to furnish.
- B. *Evidence of Contractor’s Insurance*: When Contractor delivers the executed counterparts of the Agreement to Owner, Contractor shall also deliver to Owner, with copies to each named insured and additional insured (as identified in the Supplementary Conditions or elsewhere in the Contract), the certificates and other evidence of insurance required to be provided by Contractor in accordance with Article 6.
- C. *Evidence of Owner’s Insurance*: After receipt of the executed counterparts of the Agreement and all required bonds and insurance documentation, Owner shall promptly deliver to Contractor, with copies to each named insured and additional insured (as identified in the Supplementary Conditions or otherwise), the certificates and other evidence of insurance required to be provided by Owner under Article 6.

2.02 *Copies of Documents*

- A. Owner shall furnish to Contractor four printed copies of the Contract (including one fully executed counterpart of the Agreement), and one copy in electronic portable document format (PDF). Additional printed copies will be furnished upon request at the cost of reproduction.
- B. Owner shall maintain and safeguard at least one original printed record version of the Contract, including Drawings and Specifications signed and sealed by Engineer and other design professionals. Owner shall make such original printed record version of the Contract available to Contractor for review. Owner may delegate the responsibilities under this provision to Engineer.

2.03 *Before Starting Construction*

- A. *Preliminary Schedules*: Within 10 days after the Effective Date of the Contract (or as otherwise specifically required by the Contract Documents), Contractor shall submit to Engineer for timely review:
 1. a preliminary Progress Schedule indicating the times (numbers of days or dates) for starting and completing the various stages of the Work, including any Milestones specified in the Contract;
 2. a preliminary Schedule of Submittals; and

3. a preliminary Schedule of Values for all of the Work which includes quantities and prices of items which when added together equal the Contract Price and subdivides the Work into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work.

2.04 *Preconstruction Conference; Designation of Authorized Representatives*

- A. Before any Work at the Site is started, a conference attended by Owner, Contractor, Engineer, and others as appropriate will be held to establish a working understanding among the parties as to the Work and to discuss the schedules referred to in Paragraph 2.03.A, procedures for handling Shop Drawings, Samples, and other submittals, processing Applications for Payment, electronic or digital transmittals, and maintaining required records.
- B. At this conference Owner and Contractor each shall designate, in writing, a specific individual to act as its authorized representative with respect to the services and responsibilities under the Contract. Such individuals shall have the authority to transmit and receive information, render decisions relative to the Contract, and otherwise act on behalf of each respective party.

2.05 *Initial Acceptance of Schedules*

- A. At least 10 days before submission of the first Application for Payment a conference, attended by Contractor, Engineer, and others as appropriate, will be held to review for acceptability to Engineer as provided below the schedules submitted in accordance with Paragraph 2.03.A. Contractor shall have an additional 10 days to make corrections and adjustments and to complete and resubmit the schedules. No progress payment shall be made to Contractor until acceptable schedules are submitted to Engineer.
 1. The Progress Schedule will be acceptable to Engineer if it provides an orderly progression of the Work to completion within the Contract Times. Such acceptance will not impose on Engineer responsibility for the Progress Schedule, for sequencing, scheduling, or progress of the Work, nor interfere with or relieve Contractor from Contractor's full responsibility therefor.
 2. Contractor's Schedule of Submittals will be acceptable to Engineer if it provides a workable arrangement for reviewing and processing the required submittals.
 3. Contractor's Schedule of Values will be acceptable to Engineer as to form and substance if it provides a reasonable allocation of the Contract Price to the component parts of the Work.

2.06 *Electronic Transmittals*

- A. Except as otherwise stated elsewhere in the Contract, the Owner, Engineer, and Contractor may transmit, and shall accept, Project-related correspondence, text, data, documents, drawings, information, and graphics, including but not limited to Shop Drawings and other submittals, in electronic media or digital format, either directly, or through access to a secure Project website.
- B. If the Contract does not establish protocols for electronic or digital transmittals, then Owner, Engineer, and Contractor shall jointly develop such protocols.
- C. When transmitting items in electronic media or digital format, the transmitting party makes no representations as to long term compatibility, usability, or readability of the items resulting from the recipient's use of software application packages, operating systems, or

computer hardware differing from those used in the drafting or transmittal of the items, or from those established in applicable transmittal protocols.

ARTICLE 3 – DOCUMENTS: INTENT, REQUIREMENTS, REUSE

3.01 *Intent*

- A. The Contract Documents are complementary; what is required by one is as binding as if required by all.
- B. It is the intent of the Contract Documents to describe a functionally complete project (or part thereof) to be constructed in accordance with the Contract Documents.
- C. Unless otherwise stated in the Contract Documents, if there is a discrepancy between the electronic or digital versions of the Contract Documents (including any printed copies derived from such electronic or digital versions) and the printed record version, the printed record version shall govern.
- D. The Contract supersedes prior negotiations, representations, and agreements, whether written or oral.
- E. Engineer will issue clarifications and interpretations of the Contract Documents as provided herein.

3.02 *Reference Standards*

- A. Standards Specifications, Codes, Laws and Regulations
 - 1. Reference in the Contract Documents to standard specifications, manuals, reference standards, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, shall mean the standard specification, manual, reference standard, code, or Laws or Regulations in effect at the time of opening of Bids (or on the Effective Date of the Contract if there were no Bids), except as may be otherwise specifically stated in the Contract Documents.
 - 2. No provision of any such standard specification, manual, reference standard, or code, or any instruction of a Supplier, shall be effective to change the duties or responsibilities of Owner, Contractor, or Engineer, or any of their subcontractors, consultants, agents, or employees, from those set forth in the part of the Contract Documents prepared by or for Engineer. No such provision or instruction shall be effective to assign to Owner, Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, any duty or authority to supervise or direct the performance of the Work or any duty or authority to undertake responsibility inconsistent with the provisions of the part of the Contract Documents prepared by or for Engineer.

3.03 *Reporting and Resolving Discrepancies*

- A. *Reporting Discrepancies:*
 - 1. *Contractor's Verification of Figures and Field Measurements:* Before undertaking each part of the Work, Contractor shall carefully study the Contract Documents, and check and verify pertinent figures and dimensions therein, particularly with respect to applicable field measurements. Contractor shall promptly report in writing to Engineer any conflict, error, ambiguity, or discrepancy that Contractor discovers, or has actual knowledge of, and shall not proceed with any Work affected thereby until the conflict,

error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract Documents issued pursuant to Paragraph 11.01.

2. *Contractor's Review of Contract Documents:* If, before or during the performance of the Work, Contractor discovers any conflict, error, ambiguity, or discrepancy within the Contract Documents, or between the Contract Documents and (a) any applicable Law or Regulation, (b) actual field conditions, (c) any standard specification, manual, reference standard, or code, or (d) any instruction of any Supplier, then Contractor shall promptly report it to Engineer in writing. Contractor shall not proceed with the Work affected thereby (except in an emergency as required by Paragraph 7.15) until the conflict, error, ambiguity, or discrepancy is resolved, by a clarification or interpretation by Engineer, or by an amendment or supplement to the Contract Documents issued pursuant to Paragraph 11.01.
3. Contractor shall not be liable to Owner or Engineer for failure to report any conflict, error, ambiguity, or discrepancy in the Contract Documents unless Contractor had actual knowledge thereof.

B. *Resolving Discrepancies:*

1. Except as may be otherwise specifically stated in the Contract Documents, the provisions of the part of the Contract Documents prepared by or for Engineer shall take precedence in resolving any conflict, error, ambiguity, or discrepancy between such provisions of the Contract Documents and:
 - a. the provisions of any standard specification, manual, reference standard, or code, or the instruction of any Supplier (whether or not specifically incorporated by reference as a Contract Document); or
 - b. the provisions of any Laws or Regulations applicable to the performance of the Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).

3.04 *Requirements of the Contract Documents*

- A. During the performance of the Work and until final payment, Contractor and Owner shall submit to the Engineer all matters in question concerning the requirements of the Contract Documents (sometimes referred to as requests for information or interpretation—RFIs), or relating to the acceptability of the Work under the Contract Documents, as soon as possible after such matters arise. Engineer will be the initial interpreter of the requirements of the Contract Documents, and judge of the acceptability of the Work thereunder.
- B. Engineer will, with reasonable promptness, render a written clarification, interpretation, or decision on the issue submitted, or initiate an amendment or supplement to the Contract Documents. Engineer's written clarification, interpretation, or decision will be final and binding on Contractor, unless it appeals by submitting a Change Proposal, and on Owner, unless it appeals by filing a Claim.
- C. If a submitted matter in question concerns terms and conditions of the Contract Documents that do not involve (1) the performance or acceptability of the Work under the Contract Documents, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, then Engineer will promptly give written notice to Owner and Contractor that Engineer is unable to provide a decision or interpretation. If Owner and Contractor are unable to agree on resolution of such a matter in question, either party may pursue resolution as provided in Article 12.

3.05 *Reuse of Documents*

- A. Contractor and its Subcontractors and Suppliers shall not:
 - 1. have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of Engineer or its consultants, including electronic media editions, or reuse any such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of Owner and Engineer and specific written verification or adaptation by Engineer; or
 - 2. have or acquire any title or ownership rights in any other Contract Documents, reuse any such Contract Documents for any purpose without Owner's express written consent, or violate any copyrights pertaining to such Contract Documents.
- B. The prohibitions of this Paragraph 3.05 will survive final payment, or termination of the Contract. Nothing herein shall preclude Contractor from retaining copies of the Contract Documents for record purposes.

ARTICLE 4 – COMMENCEMENT AND PROGRESS OF THE WORK

4.01 *Commencement of Contract Times; Notice to Proceed*

- A. The Contract Times will commence to run on the thirtieth day after the Effective Date of the Contract or, if a Notice to Proceed is given, on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within 30 days after the Effective Date of the Contract. In no event will the Contract Times commence to run later than the sixtieth day after the day of Bid opening or the thirtieth day after the Effective Date of the Contract, whichever date is earlier.

4.02 *Starting the Work*

- A. Contractor shall start to perform the Work on the date when the Contract Times commence to run. No Work shall be done at the Site prior to such date.

4.03 *Reference Points*

- A. Owner shall provide engineering surveys to establish reference points for construction which in Engineer's judgment are necessary to enable Contractor to proceed with the Work. Contractor shall be responsible for laying out the Work, shall protect and preserve the established reference points and property monuments, and shall make no changes or relocations without the prior written approval of Owner. Contractor shall report to Engineer whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

4.04 *Progress Schedule*

- A. Contractor shall adhere to the Progress Schedule established in accordance with Paragraph 2.05 as it may be adjusted from time to time as provided below.
 - 1. Contractor shall submit to Engineer for acceptance (to the extent indicated in Paragraph 2.05) proposed adjustments in the Progress Schedule that will not result in changing the Contract Times.

2. Proposed adjustments in the Progress Schedule that will change the Contract Times shall be submitted in accordance with the requirements of Article 11.
- B. Contractor shall carry on the Work and adhere to the Progress Schedule during all disputes or disagreements with Owner. No Work shall be delayed or postponed pending resolution of any disputes or disagreements, or during any appeal process, except as permitted by Paragraph 16.04, or as Owner and Contractor may otherwise agree in writing.

4.05 *Delays in Contractor's Progress*

- A. If Owner, Engineer, or anyone for whom Owner is responsible, delays, disrupts, or interferes with the performance or progress of the Work, then Contractor shall be entitled to an equitable adjustment in the Contract Times and Contract Price. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.
- B. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for delay, disruption, or interference caused by or within the control of Contractor. Delay, disruption, and interference attributable to and within the control of a Subcontractor or Supplier shall be deemed to be within the control of Contractor.
- C. If Contractor's performance or progress is delayed, disrupted, or interfered with by unanticipated causes not the fault of and beyond the control of Owner, Contractor, and those for which they are responsible, then Contractor shall be entitled to an equitable adjustment in Contract Times. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times. Such an adjustment shall be Contractor's sole and exclusive remedy for the delays, disruption, and interference described in this paragraph. Causes of delay, disruption, or interference that may give rise to an adjustment in Contract Times under this paragraph include but are not limited to the following:
 1. severe and unavoidable natural catastrophes such as fires, floods, epidemics, and earthquakes;
 2. abnormal weather conditions;
 3. acts or failures to act of utility owners (other than those performing other work at or adjacent to the Site by arrangement with the Owner, as contemplated in Article 8); and
 4. acts of war or terrorism.
- D. Delays, disruption, and interference to the performance or progress of the Work resulting from the existence of a differing subsurface or physical condition, an Underground Facility that was not shown or indicated by the Contract Documents, or not shown or indicated with reasonable accuracy, and those resulting from Hazardous Environmental Conditions, are governed by Article 5.
- E. Paragraph 8.03 governs delays, disruption, and interference to the performance or progress of the Work resulting from the performance of certain other work at or adjacent to the Site.
- F. Contractor shall not be entitled to an adjustment in Contract Price or Contract Times for any delay, disruption, or interference if such delay is concurrent with a delay, disruption, or interference caused by or within the control of Contractor.

- G. Contractor must submit any Change Proposal seeking an adjustment in Contract Price or Contract Times under this paragraph within 30 days of the commencement of the delaying, disrupting, or interfering event.

ARTICLE 5 – AVAILABILITY OF LANDS; SUBSURFACE AND PHYSICAL CONDITIONS; HAZARDOUS ENVIRONMENTAL CONDITIONS

5.01 *Availability of Lands*

- A. Owner shall furnish the Site. Owner shall notify Contractor of any encumbrances or restrictions not of general application but specifically related to use of the Site with which Contractor must comply in performing the Work.
- B. Upon reasonable written request, Owner shall furnish Contractor with a current statement of record legal title and legal description of the lands upon which permanent improvements are to be made and Owner's interest therein as necessary for giving notice of or filing a mechanic's or construction lien against such lands in accordance with applicable Laws and Regulations.
- C. Contractor shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

5.02 *Use of Site and Other Areas*

- A. *Limitation on Use of Site and Other Areas:*
 - 1. Contractor shall confine construction equipment, temporary construction facilities, the storage of materials and equipment, and the operations of workers to the Site, adjacent areas that Contractor has arranged to use through construction easements or otherwise, and other adjacent areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and such other adjacent areas with construction equipment or other materials or equipment. Contractor shall assume full responsibility for (a) damage to the Site; (b) damage to any such other adjacent areas used for Contractor's operations; (c) damage to any other adjacent land or areas; and (d) for injuries and losses sustained by the owners or occupants of any such land or areas; provided that such damage or injuries result from the performance of the Work or from other actions or conduct of the Contractor or those for which Contractor is responsible.
 - 2. If a damage or injury claim is made by the owner or occupant of any such land or area because of the performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible, Contractor shall (a) take immediate corrective or remedial action as required by Paragraph 7.12, or otherwise; (b) promptly attempt to settle the claim as to all parties through negotiations with such owner or occupant, or otherwise resolve the claim by arbitration or other dispute resolution proceeding, or at law; and (c) to the fullest extent permitted by Laws and Regulations, indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against any such claim, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against Owner, Engineer, or any other party indemnified hereunder to the extent caused directly or indirectly, in whole or in part

by, or based upon, Contractor's performance of the Work, or because of other actions or conduct of the Contractor or those for which Contractor is responsible.

- B. *Removal of Debris During Performance of the Work:* During the progress of the Work the Contractor shall keep the Site and other adjacent areas free from accumulations of waste materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris shall conform to applicable Laws and Regulations.
- C. *Cleaning:* Prior to Substantial Completion of the Work Contractor shall clean the Site and the Work and make it ready for utilization by Owner. At the completion of the Work Contractor shall remove from the Site and adjacent areas all tools, appliances, construction equipment and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.
- D. *Loading of Structures:* Contractor shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall Contractor subject any part of the Work or adjacent structures or land to stresses or pressures that will endanger them.

5.03 *Subsurface and Physical Conditions*

- A. *Reports and Drawings:* The Supplementary Conditions identify:
 - 1. those reports known to Owner of explorations and tests of subsurface conditions at or adjacent to the Site;
 - 2. those drawings known to Owner of physical conditions relating to existing surface or subsurface structures at the Site (except Underground Facilities); and
 - 3. Technical Data contained in such reports and drawings.
- B. *Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely upon the accuracy of the Technical Data (as defined in Article 1) contained in any geotechnical or environmental report prepared for the Project and made available to Contractor. Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, with respect to:
 - 1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor, and safety precautions and programs incident thereto; or
 - 2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or
 - 3. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions, or information.

5.04 *Differing Subsurface or Physical Conditions*

- A. *Notice by Contractor:* If Contractor believes that any subsurface or physical condition that is uncovered or revealed at the Site either:
1. is of such a nature as to establish that any Technical Data on which Contractor is entitled to rely as provided in Paragraph 5.03 is materially inaccurate; or
 2. is of such a nature as to require a change in the Drawings or Specifications; or
 3. differs materially from that shown or indicated in the Contract Documents; or
 4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;

then Contractor shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), notify Owner and Engineer in writing about such condition. Contractor shall not further disturb such condition or perform any Work in connection therewith (except with respect to an emergency) until receipt of a written statement permitting Contractor to do so.

- B. *Engineer's Review:* After receipt of written notice as required by the preceding paragraph, Engineer will promptly review the subsurface or physical condition in question; determine the necessity of Owner's obtaining additional exploration or tests with respect to the condition; conclude whether the condition falls within any one or more of the differing site condition categories in Paragraph 5.04.A above; obtain any pertinent cost or schedule information from Contractor; prepare recommendations to Owner regarding the Contractor's resumption of Work in connection with the subsurface or physical condition in question and the need for any change in the Drawings or Specifications; and advise Owner in writing of Engineer's findings, conclusions, and recommendations.
- C. *Owner's Statement to Contractor Regarding Site Condition:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the subsurface or physical condition in question, addressing the resumption of Work in connection with such condition, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations, in whole or in part.
- D. *Possible Price and Times Adjustments:*
1. Contractor shall be entitled to an equitable adjustment in Contract Price or Contract Times, or both, to the extent that the existence of a differing subsurface or physical condition, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:
 - a. such condition must fall within any one or more of the categories described in Paragraph 5.04.A;
 - b. with respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03; and,

- c. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.
2. Contractor shall not be entitled to any adjustment in the Contract Price or Contract Times with respect to a subsurface or physical condition if:
 - a. Contractor knew of the existence of such condition at the time Contractor made a commitment to Owner with respect to Contract Price and Contract Times by the submission of a Bid or becoming bound under a negotiated contract, or otherwise; or
 - b. the existence of such condition reasonably could have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas expressly required by the Bidding Requirements or Contract Documents to be conducted by or for Contractor prior to Contractor's making such commitment; or
 - c. Contractor failed to give the written notice as required by Paragraph 5.04.A.
3. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, or both, then any such adjustment shall be set forth in a Change Order.
4. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, or both, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the subsurface or physical condition in question.

5.05 *Underground Facilities*

- A. *Contractor's Responsibilities:* The information and data shown or indicated in the Contract Documents with respect to existing Underground Facilities at or adjacent to the Site is based on information and data furnished to Owner or Engineer by the owners of such Underground Facilities, including Owner, or by others. Unless it is otherwise expressly provided in the Supplementary Conditions:
 1. Owner and Engineer do not warrant or guarantee the accuracy or completeness of any such information or data provided by others; and
 2. the cost of all of the following will be included in the Contract Price, and Contractor shall have full responsibility for:
 - a. reviewing and checking all information and data regarding existing Underground Facilities at the Site;
 - b. locating all Underground Facilities shown or indicated in the Contract Documents as being at the Site;
 - c. coordination of the Work with the owners (including Owner) of such Underground Facilities, during construction; and
 - d. the safety and protection of all existing Underground Facilities at the Site, and repairing any damage thereto resulting from the Work.
- B. *Notice by Contractor:* If Contractor believes that an Underground Facility that is uncovered or revealed at the Site was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy, then Contractor shall, promptly after

becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in connection therewith (except in an emergency as required by Paragraph 7.15), identify the owner of such Underground Facility and give written notice to that owner and to Owner and Engineer.

- C. *Engineer's Review:* Engineer will promptly review the Underground Facility and conclude whether such Underground Facility was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy; obtain any pertinent cost or schedule information from Contractor; prepare recommendations to Owner regarding the Contractor's resumption of Work in connection with the Underground Facility in question; determine the extent, if any, to which a change is required in the Drawings or Specifications to reflect and document the consequences of the existence or location of the Underground Facility; and advise Owner in writing of Engineer's findings, conclusions, and recommendations. During such time, Contractor shall be responsible for the safety and protection of such Underground Facility.
- D. *Owner's Statement to Contractor Regarding Underground Facility:* After receipt of Engineer's written findings, conclusions, and recommendations, Owner shall issue a written statement to Contractor (with a copy to Engineer) regarding the Underground Facility in question, addressing the resumption of Work in connection with such Underground Facility, indicating whether any change in the Drawings or Specifications will be made, and adopting or rejecting Engineer's written findings, conclusions, and recommendations in whole or in part.
- E. *Possible Price and Times Adjustments:*
 - 1. Contractor shall be entitled to an equitable adjustment in the Contract Price or Contract Times, or both, to the extent that any existing Underground Facility at the Site that was not shown or indicated in the Contract Documents, or was not shown or indicated with reasonable accuracy, or any related delay, disruption, or interference, causes an increase or decrease in Contractor's cost of, or time required for, performance of the Work; subject, however, to the following:
 - a. Contractor did not know of and could not reasonably have been expected to be aware of or to have anticipated the existence or actual location of the Underground Facility in question;
 - b. With respect to Work that is paid for on a unit price basis, any adjustment in Contract Price will be subject to the provisions of Paragraph 13.03;
 - c. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times; and
 - d. Contractor gave the notice required in Paragraph 5.05.B.
 - 2. If Owner and Contractor agree regarding Contractor's entitlement to and the amount or extent of any adjustment in the Contract Price or Contract Times, or both, then any such adjustment shall be set forth in a Change Order.
 - 3. Contractor may submit a Change Proposal regarding its entitlement to or the amount or extent of any adjustment in the Contract Price or Contract Times, or both, no later than 30 days after Owner's issuance of the Owner's written statement to Contractor regarding the Underground Facility in question.

5.06 *Hazardous Environmental Conditions at Site*

- A. *Reports and Drawings:* The Supplementary Conditions identify:
1. those reports and drawings known to Owner relating to Hazardous Environmental Conditions that have been identified at or adjacent to the Site; and
 2. Technical Data contained in such reports and drawings.
- B. *Reliance by Contractor on Technical Data Authorized:* Contractor may rely upon the accuracy of the Technical Data expressly identified in the Supplementary Conditions with respect to such reports and drawings, but such reports and drawings are not Contract Documents. If no such express identification has been made, then Contractor may rely on the accuracy of the Technical Data (as defined in Article 1) contained in any geotechnical or environmental report prepared for the Project and made available to Contractor. Except for such reliance on Technical Data, Contractor may not rely upon or make any claim against Owner or Engineer, or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors with respect to:
1. the completeness of such reports and drawings for Contractor's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences and procedures of construction to be employed by Contractor and safety precautions and programs incident thereto; or
 2. other data, interpretations, opinions and information contained in such reports or shown or indicated in such drawings; or
 3. any Contractor interpretation of or conclusion drawn from any Technical Data or any such other data, interpretations, opinions or information.
- C. Contractor shall not be responsible for removing or remediating any Hazardous Environmental Condition encountered, uncovered, or revealed at the Site unless such removal or remediation is expressly identified in the Contract Documents to be within the scope of the Work.
- D. Contractor shall be responsible for controlling, containing, and duly removing all Constituents of Concern brought to the Site by Contractor, Subcontractors, Suppliers, or anyone else for whom Contractor is responsible, and for any associated costs; and for the costs of removing and remediating any Hazardous Environmental Condition created by the presence of any such Constituents of Concern.
- E. If Contractor encounters, uncovers, or reveals a Hazardous Environmental Condition whose removal or remediation is not expressly identified in the Contract Documents as being within the scope of the Work, or if Contractor or anyone for whom Contractor is responsible creates a Hazardous Environmental Condition, then Contractor shall immediately: (1) secure or otherwise isolate such condition; (2) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by Paragraph 7.15); and (3) notify Owner and Engineer (and promptly thereafter confirm such notice in writing). Owner shall promptly consult with Engineer concerning the necessity for Owner to retain a qualified expert to evaluate such condition or take corrective action, if any. Promptly after consulting with Engineer, Owner shall take such actions as are necessary to permit Owner to timely obtain required permits and provide Contractor the written notice required by Paragraph 5.06.F. If Contractor or anyone for whom Contractor is responsible created the Hazardous Environmental Condition in question, then Owner may remove and remediate the Hazardous Environmental Condition, and impose a set-off against payments to account for the associated costs.

- F. Contractor shall not resume Work in connection with such Hazardous Environmental Condition or in any affected area until after Owner has obtained any required permits related thereto, and delivered written notice to Contractor either (1) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work, or (2) specifying any special conditions under which such Work may be resumed safely.
- G. If Owner and Contractor cannot agree as to entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times, or both, as a result of such Work stoppage or such special conditions under which Work is agreed to be resumed by Contractor, then within 30 days of Owner's written notice regarding the resumption of Work, Contractor may submit a Change Proposal, or Owner may impose a set-off.
- H. If after receipt of such written notice Contractor does not agree to resume such Work based on a reasonable belief it is unsafe, or does not agree to resume such Work under such special conditions, then Owner may order the portion of the Work that is in the area affected by such condition to be deleted from the Work, following the contractual change procedures in Article 11. Owner may have such deleted portion of the Work performed by Owner's own forces or others in accordance with Article 8.
- I. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition, provided that such Hazardous Environmental Condition (1) was not shown or indicated in the Drawings, Specifications, or other Contract Documents, identified as Technical Data entitled to limited reliance pursuant to Paragraph 5.06.B, or identified in the Contract Documents to be included within the scope of the Work, and (2) was not created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.H shall obligate Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
- J. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the failure to control, contain, or remove a Constituent of Concern brought to the Site by Contractor or by anyone for whom Contractor is responsible, or to a Hazardous Environmental Condition created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Paragraph 5.06.J shall obligate Contractor to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.
- K. The provisions of Paragraphs 5.03, 5.04, and 5.05 do not apply to the presence of Constituents of Concern or to a Hazardous Environmental Condition uncovered or revealed at the Site.

ARTICLE 6 – BONDS AND INSURANCE

6.01 *Performance, Payment, and Other Bonds*

- A. Contractor shall furnish a performance bond and a payment bond, each in an amount at least equal to the Contract Price, as security for the faithful performance and payment of all of Contractor's obligations under the Contract. These bonds shall remain in effect until one year after the date when final payment becomes due or until completion of the correction period specified in Paragraph 15.08, whichever is later, except as provided otherwise by Laws or Regulations, the Supplementary Conditions, or other specific provisions of the Contract. Contractor shall also furnish such other bonds as are required by the Supplementary Conditions or other specific provisions of the Contract.
- B. All bonds shall be in the form prescribed by the Contract except as provided otherwise by Laws or Regulations, and shall be executed by such sureties as are named in "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (as amended and supplemented) by the Financial Management Service, Surety Bond Branch, U.S. Department of the Treasury. A bond signed by an agent or attorney-in-fact must be accompanied by a certified copy of that individual's authority to bind the surety. The evidence of authority shall show that it is effective on the date the agent or attorney-in-fact signed the accompanying bond.
- C. Contractor shall obtain the required bonds from surety companies that are duly licensed or authorized in the jurisdiction in which the Project is located to issue bonds in the required amounts.
- D. If the surety on a bond furnished by Contractor is declared bankrupt or becomes insolvent, or its right to do business is terminated in any state or jurisdiction where any part of the Project is located, or the surety ceases to meet the requirements above, then Contractor shall promptly notify Owner and Engineer and shall, within 20 days after the event giving rise to such notification, provide another bond and surety, both of which shall comply with the bond and surety requirements above.
- E. If Contractor has failed to obtain a required bond, Owner may exclude the Contractor from the Site and exercise Owner's termination rights under Article 16.
- F. Upon request, Owner shall provide a copy of the payment bond to any Subcontractor, Supplier, or other person or entity claiming to have furnished labor or materials used in the performance of the Work.

6.02 *Insurance—General Provisions*

- A. Owner and Contractor shall obtain and maintain insurance as required in this Article and in the Supplementary Conditions.
- B. All insurance required by the Contract to be purchased and maintained by Owner or Contractor shall be obtained from insurance companies that are duly licensed or authorized, in the state or jurisdiction in which the Project is located, to issue insurance policies for the required limits and coverages. Unless a different standard is indicated in the Supplementary Conditions, all companies that provide insurance policies required under this Contract shall have an A.M. Best rating of A-VII or better.
- C. Contractor shall deliver to Owner, with copies to each named insured and additional insured (as identified in this Article, in the Supplementary Conditions, or elsewhere in the Contract), certificates of insurance establishing that Contractor has obtained and is

maintaining the policies, coverages, and endorsements required by the Contract. Upon request by Owner or any other insured, Contractor shall also furnish other evidence of such required insurance, including but not limited to copies of policies and endorsements, and documentation of applicable self-insured retentions and deductibles. Contractor may block out (redact) any confidential premium or pricing information contained in any policy or endorsement furnished under this provision.

- D. Owner shall deliver to Contractor, with copies to each named insured and additional insured (as identified in this Article, the Supplementary Conditions, or elsewhere in the Contract), certificates of insurance establishing that Owner has obtained and is maintaining the policies, coverages, and endorsements required of Owner by the Contract (if any). Upon request by Contractor or any other insured, Owner shall also provide other evidence of such required insurance (if any), including but not limited to copies of policies and endorsements, and documentation of applicable self-insured retentions and deductibles. Owner may block out (redact) any confidential premium or pricing information contained in any policy or endorsement furnished under this provision.
- E. Failure of Owner or Contractor to demand such certificates or other evidence of the other party's full compliance with these insurance requirements, or failure of Owner or Contractor to identify a deficiency in compliance from the evidence provided, shall not be construed as a waiver of the other party's obligation to obtain and maintain such insurance.
- F. If either party does not purchase or maintain all of the insurance required of such party by the Contract, such party shall notify the other party in writing of such failure to purchase prior to the start of the Work, or of such failure to maintain prior to any change in the required coverage.
- G. If Contractor has failed to obtain and maintain required insurance, Owner may exclude the Contractor from the Site, impose an appropriate set-off against payment, and exercise Owner's termination rights under Article 16.
- H. Without prejudice to any other right or remedy, if a party has failed to obtain required insurance, the other party may elect to obtain equivalent insurance to protect such other party's interests at the expense of the party who was required to provide such coverage, and the Contract Price shall be adjusted accordingly.
- I. Owner does not represent that insurance coverage and limits established in this Contract necessarily will be adequate to protect Contractor or Contractor's interests.
- J. The insurance and insurance limits required herein shall not be deemed as a limitation on Contractor's liability under the indemnities granted to Owner and other individuals and entities in the Contract.

6.03 *Contractor's Insurance*

- A. *Workers' Compensation:* Contractor shall purchase and maintain workers' compensation and employer's liability insurance for:
 - 1. claims under workers' compensation, disability benefits, and other similar employee benefit acts.
 - 2. United States Longshoreman and Harbor Workers' Compensation Act and Jones Act coverage (if applicable).
 - 3. claims for damages because of bodily injury, occupational sickness or disease, or death of Contractor's employees (by stop-gap endorsement in monopolist worker's compensation states).

4. Foreign voluntary worker compensation (if applicable).
- B. *Commercial General Liability—Claims Covered:* Contractor shall purchase and maintain commercial general liability insurance, covering all operations by or on behalf of Contractor, on an occurrence basis, against:
1. claims for damages because of bodily injury, sickness or disease, or death of any person other than Contractor's employees.
 2. claims for damages insured by reasonably available personal injury liability coverage.
 3. claims for damages, other than to the Work itself, because of injury to or destruction of tangible property wherever located, including loss of use resulting therefrom.
- C. *Commercial General Liability—Form and Content:* Contractor's commercial liability policy shall be written on a 1996 (or later) ISO commercial general liability form (occurrence form) and include the following coverages and endorsements:
1. Products and completed operations coverage:
 - a. Such insurance shall be maintained for three years after final payment.
 - b. Contractor shall furnish Owner and each other additional insured (as identified in the Supplementary Conditions or elsewhere in the Contract) evidence of continuation of such insurance at final payment and three years thereafter.
 2. Blanket contractual liability coverage, to the extent permitted by law, including but not limited to coverage of Contractor's contractual indemnity obligations in Paragraph 7.18.
 3. Broad form property damage coverage.
 4. Severability of interest.
 5. Underground, explosion, and collapse coverage.
 6. Personal injury coverage.
 7. Additional insured endorsements that include both ongoing operations and products and completed operations coverage through ISO Endorsements CG 20 10 10 01 and CG 20 37 10 01 (together); or CG 20 10 07 04 and CG 20 37 07 04 (together); or their equivalent.
 8. For design professional additional insureds, ISO Endorsement CG 20 32 07 04, "Additional Insured—Engineers, Architects or Surveyors Not Engaged by the Named Insured" or its equivalent.
- D. *Automobile liability:* Contractor shall purchase and maintain automobile liability insurance against claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance, or use of any motor vehicle. The automobile liability policy shall be written on an occurrence basis.
- E. *Umbrella or excess liability:* Contractor shall purchase and maintain umbrella or excess liability insurance written over the underlying employer's liability, commercial general liability, and automobile liability insurance described in the paragraphs above. Subject to industry-standard exclusions, the coverage afforded shall follow form as to each and every one of the underlying policies.
- F. *Contractor's pollution liability insurance:* Contractor shall purchase and maintain a policy covering third-party injury and property damage claims, including clean-up costs, as a result

of pollution conditions arising from Contractor's operations and completed operations. This insurance shall be maintained for no less than three years after final completion.

- G. *Additional insureds*: The Contractor's commercial general liability, automobile liability, umbrella or excess, and pollution liability policies shall include and list as additional insureds Owner and Engineer, and any individuals or entities identified in the Supplementary Conditions; include coverage for the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of all such additional insureds; and the insurance afforded to these additional insureds shall provide primary coverage for all claims covered thereby (including as applicable those arising from both ongoing and completed operations) on a non-contributory basis. Contractor shall obtain all necessary endorsements to support these requirements.
- H. *Contractor's professional liability insurance*: If Contractor will provide or furnish professional services under this Contract, through a delegation of professional design services or otherwise, then Contractor shall be responsible for purchasing and maintaining applicable professional liability insurance. This insurance shall provide protection against claims arising out of performance of professional design or related services, and caused by a negligent error, omission, or act for which the insured party is legally liable. It shall be maintained throughout the duration of the Contract and for a minimum of two years after Substantial Completion. If such professional design services are performed by a Subcontractor, and not by Contractor itself, then the requirements of this paragraph may be satisfied through the purchasing and maintenance of such insurance by such Subcontractor.
- I. *General provisions*: The policies of insurance required by this Paragraph 6.03 shall:
 - 1. include at least the specific coverages provided in this Article.
 - 2. be written for not less than the limits of liability provided in this Article and in the Supplementary Conditions, or required by Laws or Regulations, whichever is greater.
 - 3. contain a provision or endorsement that the coverage afforded will not be canceled, materially changed, or renewal refused until at least 10 days prior written notice has been given to Contractor. Within three days of receipt of any such written notice, Contractor shall provide a copy of the notice to Owner, Engineer, and each other insured under the policy.
 - 4. remain in effect at least until final payment (and longer if expressly required in this Article) and at all times thereafter when Contractor may be correcting, removing, or replacing defective Work as a warranty or correction obligation, or otherwise, or returning to the Site to conduct other tasks arising from the Contract Documents.
 - 5. be appropriate for the Work being performed and provide protection from claims that may arise out of or result from Contractor's performance of the Work and Contractor's other obligations under the Contract Documents, whether it is to be performed by Contractor, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable.
- J. The coverage requirements for specific policies of insurance must be met by such policies, and not by reference to excess or umbrella insurance provided in other policies.

6.04 *Owner's Liability Insurance*

- A. In addition to the insurance required to be provided by Contractor under Paragraph 6.03, Owner, at Owner's option, may purchase and maintain at Owner's expense Owner's own liability insurance as will protect Owner against claims which may arise from operations under the Contract Documents.
- B. Owner's liability policies, if any, operate separately and independently from policies required to be provided by Contractor, and Contractor cannot rely upon Owner's liability policies for any of Contractor's obligations to the Owner, Engineer, or third parties.

6.05 *Property Insurance*

- A. *Builder's Risk:* Unless otherwise provided in the Supplementary Conditions, Contractor shall purchase and maintain builder's risk insurance upon the Work on a completed value basis, in the amount of the full insurable replacement cost thereof (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations). This insurance shall:
 - 1. include the Owner and Contractor as named insureds, and all Subcontractors, and any individuals or entities required by the Supplementary Conditions to be insured under such builder's risk policy, as insureds or named insureds. For purposes of the remainder of this Paragraph 6.05, Paragraphs 6.06 and 6.07, and any corresponding Supplementary Conditions, the parties required to be insured shall collectively be referred to as "insureds."
 - 2. be written on a builder's risk "all risk" policy form that shall at least include insurance for physical loss or damage to the Work, temporary buildings, falsework, and materials and equipment in transit, and shall insure against at least the following perils or causes of loss: fire; lightning; windstorm; riot; civil commotion; terrorism; vehicle impact; aircraft; smoke; theft; vandalism and malicious mischief; mechanical breakdown, boiler explosion, and artificially generated electric current; earthquake; volcanic activity, and other earth movement; flood; collapse; explosion; debris removal; demolition occasioned by enforcement of Laws and Regulations; water damage (other than that caused by flood); and such other perils or causes of loss as may be specifically required by the Supplementary Conditions. If insurance against mechanical breakdown, boiler explosion, and artificially generated electric current; earthquake; volcanic activity, and other earth movement; or flood, are not commercially available under builder's risk policies, by endorsement or otherwise, such insurance may be provided through other insurance policies acceptable to Owner and Contractor.
 - 3. cover, as insured property, at least the following: (a) the Work and all materials, supplies, machinery, apparatus, equipment, fixtures, and other property of a similar nature that are to be incorporated into or used in the preparation, fabrication, construction, erection, or completion of the Work, including Owner-furnished or assigned property; (b) spare parts inventory required within the scope of the Contract; and (c) temporary works which are not intended to form part of the permanent constructed Work but which are intended to provide working access to the Site, or to the Work under construction, or which are intended to provide temporary support for the Work under construction, including scaffolding, form work, fences, shoring, falsework, and temporary structures.
 - 4. cover expenses incurred in the repair or replacement of any insured property (including but not limited to fees and charges of engineers and architects).

5. extend to cover damage or loss to insured property while in temporary storage at the Site or in a storage location outside the Site (but not including property stored at the premises of a manufacturer or Supplier).
 6. extend to cover damage or loss to insured property while in transit.
 7. allow for partial occupation or use of the Work by Owner, such that those portions of the Work that are not yet occupied or used by Owner shall remain covered by the builder's risk insurance.
 8. allow for the waiver of the insurer's subrogation rights, as set forth below.
 9. provide primary coverage for all losses and damages caused by the perils or causes of loss covered.
 10. not include a co-insurance clause.
 11. include an exception for ensuing losses from physical damage or loss with respect to any defective workmanship, design, or materials exclusions.
 12. include performance/hot testing and start-up.
 13. be maintained in effect, subject to the provisions herein regarding Substantial Completion and partial occupancy or use of the Work by Owner, until the Work is complete.
- B. *Notice of Cancellation or Change:* All the policies of insurance (and the certificates or other evidence thereof) required to be purchased and maintained in accordance with this Paragraph 6.05 will contain a provision or endorsement that the coverage afforded will not be canceled or materially changed or renewal refused until at least 10 days prior written notice has been given to the purchasing policyholder. Within three days of receipt of any such written notice, the purchasing policyholder shall provide a copy of the notice to each other insured.
- C. *Deductibles:* The purchaser of any required builder's risk or property insurance shall pay for costs not covered because of the application of a policy deductible.
- D. *Partial Occupancy or Use by Owner:* If Owner will occupy or use a portion or portions of the Work prior to Substantial Completion of all the Work as provided in Paragraph 15.04, then Owner (directly, if it is the purchaser of the builder's risk policy, or through Contractor) will provide notice of such occupancy or use to the builder's risk insurer. The builder's risk insurance shall not be canceled or permitted to lapse on account of any such partial use or occupancy; rather, those portions of the Work that are occupied or used by Owner may come off the builder's risk policy, while those portions of the Work not yet occupied or used by Owner shall remain covered by the builder's risk insurance.
- E. *Additional Insurance:* If Contractor elects to obtain other special insurance to be included in or supplement the builder's risk or property insurance policies provided under this Paragraph 6.05, it may do so at Contractor's expense.
- F. *Insurance of Other Property:* If the express insurance provisions of the Contract do not require or address the insurance of a property item or interest, such as tools, construction equipment, or other personal property owned by Contractor, a Subcontractor, or an employee of Contractor or a Subcontractor, then the entity or individual owning such property item will be responsible for deciding whether to insure it, and if so in what amount.

6.06 *Waiver of Rights*

- A. All policies purchased in accordance with Paragraph 6.05, expressly including the builder's risk policy, shall contain provisions to the effect that in the event of payment of any loss or damage the insurers will have no rights of recovery against any insureds thereunder, or against Engineer or its consultants, or their officers, directors, members, partners, employees, agents, consultants, or subcontractors. Owner and Contractor waive all rights against each other and the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Work; and, in addition, waive all such rights against Engineer, its consultants, all Subcontractors, all individuals or entities identified in the Supplementary Conditions as insureds, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, under such policies for losses and damages so caused. None of the above waivers shall extend to the rights that any party making such waiver may have to the proceeds of insurance held by Owner or Contractor as trustee or fiduciary, or otherwise payable under any policy so issued.
- B. Owner waives all rights against Contractor, Subcontractors, and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them, for:
 - 1. loss due to business interruption, loss of use, or other consequential loss extending beyond direct physical loss or damage to Owner's property or the Work caused by, arising out of, or resulting from fire or other perils whether or not insured by Owner; and
 - 2. loss or damage to the completed Project or part thereof caused by, arising out of, or resulting from fire or other insured peril or cause of loss covered by any property insurance maintained on the completed Project or part thereof by Owner during partial occupancy or use pursuant to Paragraph 15.04, after Substantial Completion pursuant to Paragraph 15.03, or after final payment pursuant to Paragraph 15.06.
- C. Any insurance policy maintained by Owner covering any loss, damage or consequential loss referred to in Paragraph 6.06.B shall contain provisions to the effect that in the event of payment of any such loss, damage, or consequential loss, the insurers will have no rights of recovery against Contractor, Subcontractors, or Engineer, or the officers, directors, members, partners, employees, agents, consultants, or subcontractors of each and any of them.
- D. Contractor shall be responsible for assuring that the agreement under which a Subcontractor performs a portion of the Work contains provisions whereby the Subcontractor waives all rights against Owner, Contractor, all individuals or entities identified in the Supplementary Conditions as insureds, the Engineer and its consultants, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, relating to, or resulting from any of the perils or causes of loss covered by builder's risk insurance and any other property insurance applicable to the Work.

6.07 *Receipt and Application of Property Insurance Proceeds*

- A. Any insured loss under the builder's risk and other policies of insurance required by Paragraph 6.05 will be adjusted and settled with the named insured that purchased the

policy. Such named insured shall act as fiduciary for the other insureds, and give notice to such other insureds that adjustment and settlement of a claim is in progress. Any other insured may state its position regarding a claim for insured loss in writing within 15 days after notice of such claim.

- B. Proceeds for such insured losses may be made payable by the insurer either jointly to multiple insureds, or to the named insured that purchased the policy in its own right and as fiduciary for other insureds, subject to the requirements of any applicable mortgage clause. A named insured receiving insurance proceeds under the builder's risk and other policies of insurance required by Paragraph 6.05 shall distribute such proceeds in accordance with such agreement as the parties in interest may reach, or as otherwise required under the dispute resolution provisions of this Contract or applicable Laws and Regulations.
- C. If no other special agreement is reached, the damaged Work shall be repaired or replaced, the money so received applied on account thereof, and the Work and the cost thereof covered by Change Order, if needed.

ARTICLE 7 – CONTRACTOR'S RESPONSIBILITIES

7.01 *Supervision and Superintendence*

- A. Contractor shall supervise, inspect, and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Contractor shall be solely responsible for the means, methods, techniques, sequences, and procedures of construction.
- B. At all times during the progress of the Work, Contractor shall assign a competent resident superintendent who shall not be replaced without written notice to Owner and Engineer except under extraordinary circumstances.

7.02 *Labor; Working Hours*

- A. Contractor shall provide competent, suitably qualified personnel to survey and lay out the Work and perform construction as required by the Contract Documents. Contractor shall at all times maintain good discipline and order at the Site.
- B. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site shall be performed during regular working hours, Monday through Friday. Contractor will not perform Work on a Saturday, Sunday, or any legal holiday. Contractor may perform Work outside regular working hours or on Saturdays, Sundays, or legal holidays only with Owner's written consent, which will not be unreasonably withheld.

7.03 *Services, Materials, and Equipment*

- A. Unless otherwise specified in the Contract Documents, Contractor shall provide and assume full responsibility for all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and incidentals necessary for the performance, testing, start up, and completion of the Work, whether or not such items are specifically called for in the Contract Documents.
- B. All materials and equipment incorporated into the Work shall be of good quality and new, except as otherwise provided in the Contract Documents. All special warranties and

guarantees required by the Specifications shall expressly run to the benefit of Owner. If required by Engineer, Contractor shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment.

- C. All materials and equipment shall be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with instructions of the applicable Supplier, except as otherwise may be provided in the Contract Documents.

7.04 "Or Equals"

- A. Whenever an item of material or equipment is specified or described in the Contract Documents by using the name of a proprietary item or the name of a particular Supplier, the Contract Price has been based upon Contractor furnishing such item as specified. The specification or description of such an item is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or "or equal" item is permitted, Contractor may request that Engineer authorize the use of other items of material or equipment, or items from other proposed suppliers under the circumstances described below.
 - 1. If Engineer in its sole discretion determines that an item of material or equipment proposed by Contractor is functionally equal to that named and sufficiently similar so that no change in related Work will be required, Engineer shall deem it an "or equal" item. For the purposes of this paragraph, a proposed item of material or equipment will be considered functionally equal to an item so named if:
 - a. in the exercise of reasonable judgment Engineer determines that:
 - 1) it is at least equal in materials of construction, quality, durability, appearance, strength, and design characteristics;
 - 2) it will reliably perform at least equally well the function and achieve the results imposed by the design concept of the completed Project as a functioning whole;
 - 3) it has a proven record of performance and availability of responsive service; and
 - 4) it is not objectionable to Owner.
 - b. Contractor certifies that, if approved and incorporated into the Work:
 - 1) there will be no increase in cost to the Owner or increase in Contract Times; and
 - 2) it will conform substantially to the detailed requirements of the item named in the Contract Documents.
- B. *Contractor's Expense:* Contractor shall provide all data in support of any proposed "or equal" item at Contractor's expense.
- C. *Engineer's Evaluation and Determination:* Engineer will be allowed a reasonable time to evaluate each "or-equal" request. Engineer may require Contractor to furnish additional data about the proposed "or-equal" item. Engineer will be the sole judge of acceptability. No "or-equal" item will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an "or-equal", which will be evidenced by an approved Shop Drawing or other written communication. Engineer will advise Contractor in writing of any negative determination.

- D. *Effect of Engineer's Determination:* Neither approval nor denial of an "or-equal" request shall result in any change in Contract Price. The Engineer's denial of an "or-equal" request shall be final and binding, and may not be reversed through an appeal under any provision of the Contract Documents.
- E. *Treatment as a Substitution Request:* If Engineer determines that an item of material or equipment proposed by Contractor does not qualify as an "or-equal" item, Contractor may request that Engineer consider the proposed item as a substitute pursuant to Paragraph 7.05.

7.05 Substitutes

- A. Unless the specification or description of an item of material or equipment required to be furnished under the Contract Documents contains or is followed by words reading that no substitution is permitted, Contractor may request that Engineer authorize the use of other items of material or equipment under the circumstances described below. To the extent possible such requests shall be made before commencement of related construction at the Site.
 - 1. Contractor shall submit sufficient information as provided below to allow Engineer to determine if the item of material or equipment proposed is functionally equivalent to that named and an acceptable substitute therefor. Engineer will not accept requests for review of proposed substitute items of material or equipment from anyone other than Contractor.
 - 2. The requirements for review by Engineer will be as set forth in Paragraph 7.05.B, as supplemented by the Specifications, and as Engineer may decide is appropriate under the circumstances.
 - 3. Contractor shall make written application to Engineer for review of a proposed substitute item of material or equipment that Contractor seeks to furnish or use. The application:
 - a. shall certify that the proposed substitute item will:
 - 1) perform adequately the functions and achieve the results called for by the general design,
 - 2) be similar in substance to that specified, and
 - 3) be suited to the same use as that specified.
 - b. will state:
 - 1) the extent, if any, to which the use of the proposed substitute item will necessitate a change in Contract Times,
 - 2) whether use of the proposed substitute item in the Work will require a change in any of the Contract Documents (or in the provisions of any other direct contract with Owner for other work on the Project) to adapt the design to the proposed substitute item, and
 - 3) whether incorporation or use of the proposed substitute item in connection with the Work is subject to payment of any license fee or royalty.
 - c. will identify:
 - 1) all variations of the proposed substitute item from that specified, and

- 2) available engineering, sales, maintenance, repair, and replacement services.
- d. shall contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including but not limited to changes in Contract Price, shared savings, costs of redesign, and claims of other contractors affected by any resulting change.
- B. *Engineer's Evaluation and Determination:* Engineer will be allowed a reasonable time to evaluate each substitute request, and to obtain comments and direction from Owner. Engineer may require Contractor to furnish additional data about the proposed substitute item. Engineer will be the sole judge of acceptability. No substitute will be ordered, furnished, installed, or utilized until Engineer's review is complete and Engineer determines that the proposed item is an acceptable substitute. Engineer's determination will be evidenced by a Field Order or a proposed Change Order accounting for the substitution itself and all related impacts, including changes in Contract Price or Contract Times. Engineer will advise Contractor in writing of any negative determination.
- C. *Special Guarantee:* Owner may require Contractor to furnish at Contractor's expense a special performance guarantee or other surety with respect to any substitute.
- D. *Reimbursement of Engineer's Cost:* Engineer will record Engineer's costs in evaluating a substitute proposed or submitted by Contractor. Whether or not Engineer approves a substitute so proposed or submitted by Contractor, Contractor shall reimburse Owner for the reasonable charges of Engineer for evaluating each such proposed substitute. Contractor shall also reimburse Owner for the reasonable charges of Engineer for making changes in the Contract Documents (or in the provisions of any other direct contract with Owner) resulting from the acceptance of each proposed substitute.
- E. *Contractor's Expense:* Contractor shall provide all data in support of any proposed substitute at Contractor's expense.
- F. *Effect of Engineer's Determination:* If Engineer approves the substitution request, Contractor shall execute the proposed Change Order and proceed with the substitution. The Engineer's denial of a substitution request shall be final and binding, and may not be reversed through an appeal under any provision of the Contract Documents. Contractor may challenge the scope of reimbursement costs imposed under Paragraph 7.05.D, by timely submittal of a Change Proposal.

7.06 *Concerning Subcontractors, Suppliers, and Others*

- A. Contractor may retain Subcontractors and Suppliers for the performance of parts of the Work. Such Subcontractors and Suppliers must be acceptable to Owner.
- B. Contractor shall retain specific Subcontractors, Suppliers, or other individuals or entities for the performance of designated parts of the Work if required by the Contract to do so.
- C. Subsequent to the submittal of Contractor's Bid or final negotiation of the terms of the Contract, Owner may not require Contractor to retain any Subcontractor, Supplier, or other individual or entity to furnish or perform any of the Work against which Contractor has reasonable objection.
- D. Prior to entry into any binding subcontract or purchase order, Contractor shall submit to Owner the identity of the proposed Subcontractor or Supplier (unless Owner has already deemed such proposed Subcontractor or Supplier acceptable, during the bidding process or otherwise). Such proposed Subcontractor or Supplier shall be deemed acceptable to Owner unless Owner raises a substantive, reasonable objection within five days.

- E. Owner may require the replacement of any Subcontractor, Supplier, or other individual or entity retained by Contractor to perform any part of the Work. Owner also may require Contractor to retain specific replacements; provided, however, that Owner may not require a replacement to which Contractor has a reasonable objection. If Contractor has submitted the identity of certain Subcontractors, Suppliers, or other individuals or entities for acceptance by Owner, and Owner has accepted it (either in writing or by failing to make written objection thereto), then Owner may subsequently revoke the acceptance of any such Subcontractor, Supplier, or other individual or entity so identified solely on the basis of substantive, reasonable objection after due investigation. Contractor shall submit an acceptable replacement for the rejected Subcontractor, Supplier, or other individual or entity.
- F. If Owner requires the replacement of any Subcontractor, Supplier, or other individual or entity retained by Contractor to perform any part of the Work, then Contractor shall be entitled to an adjustment in Contract Price or Contract Times, or both, with respect to the replacement; and Contractor shall initiate a Change Proposal for such adjustment within 30 days of Owner's requirement of replacement.
- G. No acceptance by Owner of any such Subcontractor, Supplier, or other individual or entity, whether initially or as a replacement, shall constitute a waiver of the right of Owner to the completion of the Work in accordance with the Contract Documents.
- H. On a monthly basis Contractor shall submit to Engineer a complete list of all Subcontractors and Suppliers having a direct contract with Contractor, and of all other Subcontractors and Suppliers known to Contractor at the time of submittal.
- I. Contractor shall be fully responsible to Owner and Engineer for all acts and omissions of the Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work just as Contractor is responsible for Contractor's own acts and omissions.
- J. Contractor shall be solely responsible for scheduling and coordinating the work of Subcontractors, Suppliers, and all other individuals or entities performing or furnishing any of the Work.
- K. Contractor shall restrict all Subcontractors, Suppliers, and such other individuals or entities performing or furnishing any of the Work from communicating with Engineer or Owner, except through Contractor or in case of an emergency, or as otherwise expressly allowed herein.
- L. The divisions and sections of the Specifications and the identifications of any Drawings shall not control Contractor in dividing the Work among Subcontractors or Suppliers or delineating the Work to be performed by any specific trade.
- M. All Work performed for Contractor by a Subcontractor or Supplier shall be pursuant to an appropriate contractual agreement that specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract Documents for the benefit of Owner and Engineer.
- N. Owner may furnish to any Subcontractor or Supplier, to the extent practicable, information about amounts paid to Contractor on account of Work performed for Contractor by the particular Subcontractor or Supplier.

O. Nothing in the Contract Documents:

1. shall create for the benefit of any such Subcontractor, Supplier, or other individual or entity any contractual relationship between Owner or Engineer and any such Subcontractor, Supplier, or other individual or entity; nor
2. shall create any obligation on the part of Owner or Engineer to pay or to see to the payment of any money due any such Subcontractor, Supplier, or other individual or entity except as may otherwise be required by Laws and Regulations.

7.07 *Patent Fees and Royalties*

- A. Contractor shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the Work and if, to the actual knowledge of Owner or Engineer, its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by Owner in the Contract Documents.
- B. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, and its officers, directors, members, partners, employees, agents, consultants, and subcontractors from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device specified in the Contract Documents, but not identified as being subject to payment of any license fee or royalty to others required by patent rights or copyrights.
- C. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Contract Documents.

7.08 *Permits*

- A. Unless otherwise provided in the Contract Documents, Contractor shall obtain and pay for all construction permits and licenses. Owner shall assist Contractor, when necessary, in obtaining such permits and licenses. Contractor shall pay all governmental charges and inspection fees necessary for the prosecution of the Work which are applicable at the time of the submission of Contractor's Bid (or when Contractor became bound under a negotiated contract). Owner shall pay all charges of utility owners for connections for providing permanent service to the Work

7.09 *Taxes*

- A. Contractor shall pay all sales, consumer, use, and other similar taxes required to be paid by Contractor in accordance with the Laws and Regulations of the place of the Project which are applicable during the performance of the Work.

7.10 *Laws and Regulations*

- A. Contractor shall give all notices required by and shall comply with all Laws and Regulations applicable to the performance of the Work. Except where otherwise expressly required by applicable Laws and Regulations, neither Owner nor Engineer shall be responsible for monitoring Contractor's compliance with any Laws or Regulations.
- B. If Contractor performs any Work or takes any other action knowing or having reason to know that it is contrary to Laws or Regulations, Contractor shall bear all resulting costs and losses, and shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work or other action. It shall not be Contractor's responsibility to make certain that the Work described in the Contract Documents is in accordance with Laws and Regulations, but this shall not relieve Contractor of Contractor's obligations under Paragraph 3.03.
- C. Owner or Contractor may give notice to the other party of any changes after the submission of Contractor's Bid (or after the date when Contractor became bound under a negotiated contract) in Laws or Regulations having an effect on the cost or time of performance of the Work, including but not limited to changes in Laws or Regulations having an effect on procuring permits and on sales, use, value-added, consumption, and other similar taxes. If Owner and Contractor are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times resulting from such changes, then within 30 days of such notice Contractor may submit a Change Proposal, or Owner may initiate a Claim.

7.11 *Record Documents*

- A. Contractor shall maintain in a safe place at the Site one printed record copy of all Drawings, Specifications, Addenda, Change Orders, Work Change Directives, Field Orders, written interpretations and clarifications, and approved Shop Drawings. Contractor shall keep such record documents in good order and annotate them to show changes made during construction. These record documents, together with all approved Samples, will be available to Engineer for reference. Upon completion of the Work, Contractor shall deliver these record documents to Engineer.

7.12 *Safety and Protection*

- A. Contractor shall be solely responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Work. Such responsibility does not relieve Subcontractors of their responsibility for the safety of persons or property in the performance of their work, nor for compliance with applicable safety Laws and Regulations. Contractor shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury, or loss to:
 - 1. all persons on the Site or who may be affected by the Work;

2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and
 3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, other work in progress, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.
- B. Contractor shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection. Contractor shall notify Owner; the owners of adjacent property, Underground Facilities, and other utilities; and other contractors and utility owners performing work at or adjacent to the Site, when prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property or work in progress.
 - C. Contractor shall comply with the applicable requirements of Owner's safety programs, if any. The Supplementary Conditions identify any Owner's safety programs that are applicable to the Work.
 - D. Contractor shall inform Owner and Engineer of the specific requirements of Contractor's safety program with which Owner's and Engineer's employees and representatives must comply while at the Site.
 - E. All damage, injury, or loss to any property referred to in Paragraph 7.12.A.2 or 7.12.A.3 caused, directly or indirectly, in whole or in part, by Contractor, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be remedied by Contractor at its expense (except damage or loss attributable to the fault of Drawings or Specifications or to the acts or omissions of Owner or Engineer or anyone employed by any of them, or anyone for whose acts any of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of Contractor or any Subcontractor, Supplier, or other individual or entity directly or indirectly employed by any of them).
 - F. Contractor's duties and responsibilities for safety and protection shall continue until such time as all the Work is completed and Engineer has issued a notice to Owner and Contractor in accordance with Paragraph 15.06.B that the Work is acceptable (except as otherwise expressly provided in connection with Substantial Completion).
 - G. Contractor's duties and responsibilities for safety and protection shall resume whenever Contractor or any Subcontractor or Supplier returns to the Site to fulfill warranty or correction obligations, or to conduct other tasks arising from the Contract Documents.

7.13 *Safety Representative*

- A. Contractor shall designate a qualified and experienced safety representative at the Site whose duties and responsibilities shall be the prevention of accidents and the maintaining and supervising of safety precautions and programs.

7.14 *Hazard Communication Programs*

- A. Contractor shall be responsible for coordinating any exchange of material safety data sheets or other hazard communication information required to be made available to or

exchanged between or among employers at the Site in accordance with Laws or Regulations.

7.15 *Emergencies*

- A. In emergencies affecting the safety or protection of persons or the Work or property at the Site or adjacent thereto, Contractor is obligated to act to prevent threatened damage, injury, or loss. Contractor shall give Engineer prompt written notice if Contractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby or are required as a result thereof. If Engineer determines that a change in the Contract Documents is required because of the action taken by Contractor in response to such an emergency, a Work Change Directive or Change Order will be issued.

7.16 *Shop Drawings, Samples, and Other Submittals*

A. *Shop Drawing and Sample Submittal Requirements:*

1. Before submitting a Shop Drawing or Sample, Contractor shall have:
 - a. reviewed and coordinated the Shop Drawing or Sample with other Shop Drawings and Samples and with the requirements of the Work and the Contract Documents;
 - b. determined and verified all field measurements, quantities, dimensions, specified performance and design criteria, installation requirements, materials, catalog numbers, and similar information with respect thereto;
 - c. determined and verified the suitability of all materials and equipment offered with respect to the indicated application, fabrication, shipping, handling, storage, assembly, and installation pertaining to the performance of the Work; and
 - d. determined and verified all information relative to Contractor's responsibilities for means, methods, techniques, sequences, and procedures of construction, and safety precautions and programs incident thereto.
2. Each submittal shall bear a stamp or specific written certification that Contractor has satisfied Contractor's obligations under the Contract Documents with respect to Contractor's review of that submittal, and that Contractor approves the submittal.
3. With each submittal, Contractor shall give Engineer specific written notice of any variations that the Shop Drawing or Sample may have from the requirements of the Contract Documents. This notice shall be set forth in a written communication separate from the Shop Drawings or Sample submittal; and, in addition, in the case of Shop Drawings by a specific notation made on each Shop Drawing submitted to Engineer for review and approval of each such variation.

- B. *Submittal Procedures for Shop Drawings and Samples:* Contractor shall submit Shop Drawings and Samples to Engineer for review and approval in accordance with the accepted Schedule of Submittals. Each submittal will be identified as Engineer may require.

1. *Shop Drawings:*

- a. Contractor shall submit the number of copies required in the Specifications.
- b. Data shown on the Shop Drawings will be complete with respect to quantities, dimensions, specified performance and design criteria, materials, and similar data to show Engineer the services, materials, and equipment Contractor proposes to

provide and to enable Engineer to review the information for the limited purposes required by Paragraph 7.16.D.

2. *Samples:*

- a. Contractor shall submit the number of Samples required in the Specifications.
- b. Contractor shall clearly identify each Sample as to material, Supplier, pertinent data such as catalog numbers, the use for which intended and other data as Engineer may require to enable Engineer to review the submittal for the limited purposes required by Paragraph 7.16.D.

3. Where a Shop Drawing or Sample is required by the Contract Documents or the Schedule of Submittals, any related Work performed prior to Engineer's review and approval of the pertinent submittal will be at the sole expense and responsibility of Contractor.

C. *Other Submittals:* Contractor shall submit other submittals to Engineer in accordance with the accepted Schedule of Submittals, and pursuant to the applicable terms of the Specifications.

D. *Engineer's Review:*

1. Engineer will provide timely review of Shop Drawings and Samples in accordance with the Schedule of Submittals acceptable to Engineer. Engineer's review and approval will be only to determine if the items covered by the submittals will, after installation or incorporation in the Work, conform to the information given in the Contract Documents and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.
2. Engineer's review and approval will not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions or programs incident thereto.
3. Engineer's review and approval of a separate item as such will not indicate approval of the assembly in which the item functions.
4. Engineer's review and approval of a Shop Drawing or Sample shall not relieve Contractor from responsibility for any variation from the requirements of the Contract Documents unless Contractor has complied with the requirements of Paragraph 7.16.A.3 and Engineer has given written approval of each such variation by specific written notation thereof incorporated in or accompanying the Shop Drawing or Sample. Engineer will document any such approved variation from the requirements of the Contract Documents in a Field Order.
5. Engineer's review and approval of a Shop Drawing or Sample shall not relieve Contractor from responsibility for complying with the requirements of Paragraph 7.16.A and B.
6. Engineer's review and approval of a Shop Drawing or Sample, or of a variation from the requirements of the Contract Documents, shall not, under any circumstances, change the Contract Times or Contract Price, unless such changes are included in a Change Order.
7. Neither Engineer's receipt, review, acceptance or approval of a Shop Drawing, Sample, or other submittal shall result in such item becoming a Contract Document.

8. Contractor shall perform the Work in compliance with the requirements and commitments set forth in approved Shop Drawings and Samples, subject to the provisions of Paragraph 7.16.D.4.

E. *Resubmittal Procedures:*

1. Contractor shall make corrections required by Engineer and shall return the required number of corrected copies of Shop Drawings and submit, as required, new Samples for review and approval. Contractor shall direct specific attention in writing to revisions other than the corrections called for by Engineer on previous submittals.
2. Contractor shall furnish required submittals with sufficient information and accuracy to obtain required approval of an item with no more than three submittals. Engineer will record Engineer's time for reviewing a fourth or subsequent submittal of a Shop Drawings, sample, or other item requiring approval, and Contractor shall be responsible for Engineer's charges to Owner for such time. Owner may impose a set-off against payments due to Contractor to secure reimbursement for such charges.
3. If Contractor requests a change of a previously approved submittal item, Contractor shall be responsible for Engineer's charges to Owner for its review time, and Owner may impose a set-off against payments due to Contractor to secure reimbursement for such charges, unless the need for such change is beyond the control of Contractor.

7.17 *Contractor's General Warranty and Guarantee*

- A. Contractor warrants and guarantees to Owner that all Work will be in accordance with the Contract Documents and will not be defective. Engineer and its officers, directors, members, partners, employees, agents, consultants, and subcontractors shall be entitled to rely on Contractor's warranty and guarantee.
- B. Contractor's warranty and guarantee hereunder excludes defects or damage caused by:
 1. abuse, modification, or improper maintenance or operation by persons other than Contractor, Subcontractors, Suppliers, or any other individual or entity for whom Contractor is responsible; or
 2. normal wear and tear under normal usage.
- C. Contractor's obligation to perform and complete the Work in accordance with the Contract Documents shall be absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents or a release of Contractor's obligation to perform the Work in accordance with the Contract Documents:
 1. observations by Engineer;
 2. recommendation by Engineer or payment by Owner of any progress or final payment;
 3. the issuance of a certificate of Substantial Completion by Engineer or any payment related thereto by Owner;
 4. use or occupancy of the Work or any part thereof by Owner;
 5. any review and approval of a Shop Drawing or Sample submittal;
 6. the issuance of a notice of acceptability by Engineer;
 7. any inspection, test, or approval by others; or
 8. any correction of defective Work by Owner.

- D. If the Contract requires the Contractor to accept the assignment of a contract entered into by Owner, then the specific warranties, guarantees, and correction obligations contained in the assigned contract shall govern with respect to Contractor's performance obligations to Owner for the Work described in the assigned contract.

7.18 *Indemnification*

- A. To the fullest extent permitted by Laws and Regulations, and in addition to any other obligations of Contractor under the Contract or otherwise, Contractor shall indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the performance of the Work, provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom but only to the extent caused by any negligent act or omission of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work or anyone for whose acts any of them may be liable.
- B. In any and all claims against Owner or Engineer or any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors by any employee (or the survivor or personal representative of such employee) of Contractor, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, the indemnification obligation under Paragraph 7.18.A shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Contractor or any such Subcontractor, Supplier, or other individual or entity under workers' compensation acts, disability benefit acts, or other employee benefit acts.
- C. The indemnification obligations of Contractor under Paragraph 7.18.A shall not extend to the liability of Engineer and Engineer's officers, directors, members, partners, employees, agents, consultants and subcontractors arising out of:
 - 1. the preparation or approval of, or the failure to prepare or approve maps, Drawings, opinions, reports, surveys, Change Orders, designs, or Specifications; or
 - 2. giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.

7.19 *Delegation of Professional Design Services*

- A. Contractor will not be required to provide professional design services unless such services are specifically required by the Contract Documents for a portion of the Work or unless such services are required to carry out Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. Contractor shall not be required to provide professional services in violation of applicable Laws and Regulations.
- B. If professional design services or certifications by a design professional related to systems, materials, or equipment are specifically required of Contractor by the Contract Documents, Owner and Engineer will specify all performance and design criteria that such services must satisfy. Contractor shall cause such services or certifications to be provided by a properly licensed professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, and other submittals prepared by such professional. Shop

Drawings and other submittals related to the Work designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to Engineer.

- C. Owner and Engineer shall be entitled to rely upon the adequacy, accuracy, and completeness of the services, certifications, or approvals performed by such design professionals, provided Owner and Engineer have specified to Contractor all performance and design criteria that such services must satisfy.
- D. Pursuant to this paragraph, Engineer's review and approval of design calculations and design drawings will be only for the limited purpose of checking for conformance with performance and design criteria given and the design concept expressed in the Contract Documents. Engineer's review and approval of Shop Drawings and other submittals (except design calculations and design drawings) will be only for the purpose stated in Paragraph 7.16.D.1.
- E. Contractor shall not be responsible for the adequacy of the performance or design criteria specified by Owner or Engineer.

ARTICLE 8 – OTHER WORK AT THE SITE

8.01 *Other Work*

- A. In addition to and apart from the Work under the Contract Documents, the Owner may perform other work at or adjacent to the Site. Such other work may be performed by Owner's employees, or through contracts between the Owner and third parties. Owner may also arrange to have third-party utility owners perform work on their utilities and facilities at or adjacent to the Site.
- B. If Owner performs other work at or adjacent to the Site with Owner's employees, or through contracts for such other work, then Owner shall give Contractor written notice thereof prior to starting any such other work. If Owner has advance information regarding the start of any utility work at or adjacent to the Site, Owner shall provide such information to Contractor.
- C. Contractor shall afford each other contractor that performs such other work, each utility owner performing other work, and Owner, if Owner is performing other work with Owner's employees, proper and safe access to the Site, and provide a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work. Contractor shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. Contractor shall not endanger any work of others by cutting, excavating, or otherwise altering such work; provided, however, that Contractor may cut or alter others' work with the written consent of Engineer and the others whose work will be affected.
- D. If the proper execution or results of any part of Contractor's Work depends upon work performed by others under this Article 8, Contractor shall inspect such other work and promptly report to Engineer in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of Contractor's Work. Contractor's failure to so report will constitute an acceptance of such other work as fit and proper for integration with Contractor's Work except for latent defects and deficiencies in such other work.

8.02 *Coordination*

- A. If Owner intends to contract with others for the performance of other work at or adjacent to the Site, to perform other work at or adjacent to the Site with Owner's employees, or to arrange to have utility owners perform work at or adjacent to the Site, the following will be set forth in the Supplementary Conditions or provided to Contractor prior to the start of any such other work:
 - 1. the identity of the individual or entity that will have authority and responsibility for coordination of the activities among the various contractors;
 - 2. an itemization of the specific matters to be covered by such authority and responsibility; and
 - 3. the extent of such authority and responsibilities.
- B. Unless otherwise provided in the Supplementary Conditions, Owner shall have sole authority and responsibility for such coordination.

8.03 *Legal Relationships*

- A. If, in the course of performing other work at or adjacent to the Site for Owner, the Owner's employees, any other contractor working for Owner, or any utility owner causes damage to the Work or to the property of Contractor or its Subcontractors, or delays, disrupts, interferes with, or increases the scope or cost of the performance of the Work, through actions or inaction, then Contractor shall be entitled to an equitable adjustment in the Contract Price or the Contract Times, or both. Contractor must submit any Change Proposal seeking an equitable adjustment in the Contract Price or the Contract Times under this paragraph within 30 days of the damaging, delaying, disrupting, or interfering event. The entitlement to, and extent of, any such equitable adjustment shall take into account information (if any) regarding such other work that was provided to Contractor in the Contract Documents prior to the submittal of the Bid or the final negotiation of the terms of the Contract. When applicable, any such equitable adjustment in Contract Price shall be conditioned on Contractor assigning to Owner all Contractor's rights against such other contractor or utility owner with respect to the damage, delay, disruption, or interference that is the subject of the adjustment. Contractor's entitlement to an adjustment of the Contract Times is conditioned on such adjustment being essential to Contractor's ability to complete the Work within the Contract Times.
- B. Contractor shall take reasonable and customary measures to avoid damaging, delaying, disrupting, or interfering with the work of Owner, any other contractor, or any utility owner performing other work at or adjacent to the Site. If Contractor fails to take such measures and as a result damages, delays, disrupts, or interferes with the work of any such other contractor or utility owner, then Owner may impose a set-off against payments due to Contractor, and assign to such other contractor or utility owner the Owner's contractual rights against Contractor with respect to the breach of the obligations set forth in this paragraph.
- C. When Owner is performing other work at or adjacent to the Site with Owner's employees, Contractor shall be liable to Owner for damage to such other work, and for the reasonable direct delay, disruption, and interference costs incurred by Owner as a result of Contractor's failure to take reasonable and customary measures with respect to Owner's other work. In response to such damage, delay, disruption, or interference, Owner may impose a set-off against payments due to Contractor.

- D. If Contractor damages, delays, disrupts, or interferes with the work of any other contractor, or any utility owner performing other work at or adjacent to the Site, through Contractor's failure to take reasonable and customary measures to avoid such impacts, or if any claim arising out of Contractor's actions, inactions, or negligence in performance of the Work at or adjacent to the Site is made by any such other contractor or utility owner against Contractor, Owner, or Engineer, then Contractor shall (1) promptly attempt to settle the claim as to all parties through negotiations with such other contractor or utility owner, or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law, and (2) indemnify and hold harmless Owner and Engineer, and the officers, directors, members, partners, employees, agents, consultants and subcontractors of each and any of them from and against any such claims, and against all costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such damage, delay, disruption, or interference.

ARTICLE 9 – OWNER'S RESPONSIBILITIES

9.01 *Communications to Contractor*

- A. Except as otherwise provided in these General Conditions, Owner shall issue all communications to Contractor through Engineer.

9.02 *Replacement of Engineer*

- A. Owner may at its discretion appoint an engineer to replace Engineer, provided Contractor makes no reasonable objection to the replacement engineer. The replacement engineer's status under the Contract Documents shall be that of the former Engineer.

9.03 *Furnish Data*

- A. Owner shall promptly furnish the data required of Owner under the Contract Documents.

9.04 *Pay When Due*

- A. Owner shall make payments to Contractor when they are due as provided in the Agreement.

9.05 *Lands and Easements; Reports, Tests, and Drawings*

- A. Owner's duties with respect to providing lands and easements are set forth in Paragraph 5.01.
- B. Owner's duties with respect to providing engineering surveys to establish reference points are set forth in Paragraph 4.03.
- C. Article 5 refers to Owner's identifying and making available to Contractor copies of reports of explorations and tests of conditions at the Site, and drawings of physical conditions relating to existing surface or subsurface structures at the Site.

9.06 *Insurance*

- A. Owner's responsibilities, if any, with respect to purchasing and maintaining liability and property insurance are set forth in Article 6.

9.07 *Change Orders*

- A. Owner's responsibilities with respect to Change Orders are set forth in Article 11.

9.08 *Inspections, Tests, and Approvals*

- A. Owner's responsibility with respect to certain inspections, tests, and approvals is set forth in Paragraph 14.02.B.

9.09 *Limitations on Owner's Responsibilities*

- A. The Owner shall not supervise, direct, or have control or authority over, nor be responsible for, Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Owner will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.

9.10 *Undisclosed Hazardous Environmental Condition*

- A. Owner's responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in Paragraph 5.06.

9.11 *Evidence of Financial Arrangements*

- A. Upon request of Contractor, Owner shall furnish Contractor reasonable evidence that financial arrangements have been made to satisfy Owner's obligations under the Contract Documents (including obligations under proposed changes in the Work).

9.12 *Safety Programs*

- A. While at the Site, Owner's employees and representatives shall comply with the specific applicable requirements of Contractor's safety programs of which Owner has been informed.
- B. Owner shall furnish copies of any applicable Owner safety programs to Contractor.

ARTICLE 10 – ENGINEER'S STATUS DURING CONSTRUCTION

10.01 *Owner's Representative*

- A. Engineer will be Owner's representative during the construction period. The duties and responsibilities and the limitations of authority of Engineer as Owner's representative during construction are set forth in the Contract.

10.02 *Visits to Site*

- A. Engineer will make visits to the Site at intervals appropriate to the various stages of construction as Engineer deems necessary in order to observe as an experienced and qualified design professional the progress that has been made and the quality of the various aspects of Contractor's executed Work. Based on information obtained during such visits and observations, Engineer, for the benefit of Owner, will determine, in general, if the Work is proceeding in accordance with the Contract Documents. Engineer will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. Engineer's efforts will be directed toward providing for Owner a greater degree of confidence that the completed Work will conform generally to the Contract Documents. On the basis of such visits and observations, Engineer will keep Owner informed of the progress of the Work and will endeavor to guard Owner against defective Work.
- B. Engineer's visits and observations are subject to all the limitations on Engineer's authority and responsibility set forth in Paragraph 10.08. Particularly, but without limitation, during

or as a result of Engineer's visits or observations of Contractor's Work, Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work.

10.03 *Project Representative*

- A. If Owner and Engineer have agreed that Engineer will furnish a Resident Project Representative to represent Engineer at the Site and assist Engineer in observing the progress and quality of the Work, then the authority and responsibilities of any such Resident Project Representative will be as provided in the Supplementary Conditions, and limitations on the responsibilities thereof will be as provided in Paragraph 10.08. If Owner designates another representative or agent to represent Owner at the Site who is not Engineer's consultant, agent, or employee, the responsibilities and authority and limitations thereon of such other individual or entity will be as provided in the Supplementary Conditions.

10.04 *Rejecting Defective Work*

- A. Engineer has the authority to reject Work in accordance with Article 14.

10.05 *Shop Drawings, Change Orders and Payments*

- A. Engineer's authority, and limitations thereof, as to Shop Drawings and Samples, are set forth in Paragraph 7.16.
- B. Engineer's authority, and limitations thereof, as to design calculations and design drawings submitted in response to a delegation of professional design services, if any, are set forth in Paragraph 7.19.
- C. Engineer's authority as to Change Orders is set forth in Article 11.
- D. Engineer's authority as to Applications for Payment is set forth in Article 15.

10.06 *Determinations for Unit Price Work*

- A. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor as set forth in Paragraph 13.03.

10.07 *Decisions on Requirements of Contract Documents and Acceptability of Work*

- A. Engineer will render decisions regarding the requirements of the Contract Documents, and judge the acceptability of the Work, pursuant to the specific procedures set forth herein for initial interpretations, Change Proposals, and acceptance of the Work. In rendering such decisions and judgments, Engineer will not show partiality to Owner or Contractor, and will not be liable to Owner, Contractor, or others in connection with any proceedings, interpretations, decisions, or judgments conducted or rendered in good faith.

10.08 *Limitations on Engineer's Authority and Responsibilities*

- A. Neither Engineer's authority or responsibility under this Article 10 or under any other provision of the Contract, nor any decision made by Engineer in good faith either to exercise or not exercise such authority or responsibility or the undertaking, exercise, or performance of any authority or responsibility by Engineer, shall create, impose, or give rise to any duty in contract, tort, or otherwise owed by Engineer to Contractor, any Subcontractor, any Supplier, any other individual or entity, or to any surety for or employee or agent of any of them.

- B. Engineer will not supervise, direct, control, or have authority over or be responsible for Contractor's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of Contractor to comply with Laws and Regulations applicable to the performance of the Work. Engineer will not be responsible for Contractor's failure to perform the Work in accordance with the Contract Documents.
- C. Engineer will not be responsible for the acts or omissions of Contractor or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.
- D. Engineer's review of the final Application for Payment and accompanying documentation and all maintenance and operating instructions, schedules, guarantees, bonds, certificates of inspection, tests and approvals, and other documentation required to be delivered by Paragraph 15.06.A will only be to determine generally that their content complies with the requirements of, and in the case of certificates of inspections, tests, and approvals, that the results certified indicate compliance with the Contract Documents.
- E. The limitations upon authority and responsibility set forth in this Paragraph 10.08 shall also apply to the Resident Project Representative, if any.

10.09 *Compliance with Safety Program*

- A. While at the Site, Engineer's employees and representatives will comply with the specific applicable requirements of Owner's and Contractor's safety programs (if any) of which Engineer has been informed.

ARTICLE 11 – AMENDING THE CONTRACT DOCUMENTS; CHANGES IN THE WORK

11.01 *Amending and Supplementing Contract Documents*

- A. The Contract Documents may be amended or supplemented by a Change Order, a Work Change Directive, or a Field Order.
 - 1. *Change Orders:*
 - a. If an amendment or supplement to the Contract Documents includes a change in the Contract Price or the Contract Times, such amendment or supplement must be set forth in a Change Order. A Change Order also may be used to establish amendments and supplements of the Contract Documents that do not affect the Contract Price or Contract Times.
 - b. Owner and Contractor may amend those terms and conditions of the Contract Documents that do not involve (1) the performance or acceptability of the Work, (2) the design (as set forth in the Drawings, Specifications, or otherwise), or (3) other engineering or technical matters, without the recommendation of the Engineer. Such an amendment shall be set forth in a Change Order.
 - 2. *Work Change Directives:* A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the modification ordered or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order, following negotiations by the parties as to the Work Change Directive's effect, if any, on the Contract Price and Contract Times; or, if negotiations are unsuccessful, by a determination under the terms of the Contract Documents governing adjustments, expressly including Paragraph 11.04 regarding change of Contract Price. Contractor must submit any Change Proposal seeking an

adjustment of the Contract Price or the Contract Times, or both, no later than 30 days after the completion of the Work set out in the Work Change Directive. Owner must submit any Claim seeking an adjustment of the Contract Price or the Contract Times, or both, no later than 60 days after issuance of the Work Change Directive.

3. *Field Orders*: Engineer may authorize minor changes in the Work if the changes do not involve an adjustment in the Contract Price or the Contract Times and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such changes will be accomplished by a Field Order and will be binding on Owner and also on Contractor, which shall perform the Work involved promptly. If Contractor believes that a Field Order justifies an adjustment in the Contract Price or Contract Times, or both, then before proceeding with the Work at issue, Contractor shall submit a Change Proposal as provided herein.

11.02 *Owner-Authorized Changes in the Work*

- A. Without invalidating the Contract and without notice to any surety, Owner may, at any time or from time to time, order additions, deletions, or revisions in the Work. Such changes shall be supported by Engineer's recommendation, to the extent the change involves the design (as set forth in the Drawings, Specifications, or otherwise), or other engineering or technical matters. Such changes may be accomplished by a Change Order, if Owner and Contractor have agreed as to the effect, if any, of the changes on Contract Times or Contract Price; or by a Work Change Directive. Upon receipt of any such document, Contractor shall promptly proceed with the Work involved; or, in the case of a deletion in the Work, promptly cease construction activities with respect to such deleted Work. Added or revised Work shall be performed under the applicable conditions of the Contract Documents. Nothing in this paragraph shall obligate Contractor to undertake work that Contractor reasonably concludes cannot be performed in a manner consistent with Contractor's safety obligations under the Contract Documents or Laws and Regulations.

11.03 *Unauthorized Changes in the Work*

- A. Contractor shall not be entitled to an increase in the Contract Price or an extension of the Contract Times with respect to any work performed that is not required by the Contract Documents, as amended, modified, or supplemented, except in the case of an emergency as provided in Paragraph 7.15 or in the case of uncovering Work as provided in Paragraph 14.05.

11.04 *Change of Contract Price*

- A. The Contract Price may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Price shall comply with the provisions of Paragraph 11.06. Any Claim for an adjustment of Contract Price shall comply with the provisions of Article 12.
- B. An adjustment in the Contract Price will be determined as follows:
 1. where the Work involved is covered by unit prices contained in the Contract Documents, then by application of such unit prices to the quantities of the items involved (subject to the provisions of Paragraph 13.03); or
 2. where the Work involved is not covered by unit prices contained in the Contract Documents, then by a mutually agreed lump sum (which may include an allowance for overhead and profit not necessarily in accordance with Paragraph 11.04.C.2); or
 3. where the Work involved is not covered by unit prices contained in the Contract Documents and the parties do not reach mutual agreement to a lump sum, then on

the basis of the Cost of the Work (determined as provided in Paragraph 13.01) plus a Contractor's fee for overhead and profit (determined as provided in Paragraph 11.04.C).

- C. *Contractor's Fee*: When applicable, the Contractor's fee for overhead and profit shall be determined as follows:
1. a mutually acceptable fixed fee; or
 2. if a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:
 - a. for costs incurred under Paragraphs 13.01.B.1 and 13.01.B.2, the Contractor's fee shall be 15 percent;
 - b. for costs incurred under Paragraph 13.01.B.3, the Contractor's fee shall be five percent;
 - c. where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of Paragraphs 11.01.C.2.a and 11.01.C.2.b is that the Contractor's fee shall be based on: (1) a fee of 15 percent of the costs incurred under Paragraphs 13.01.A.1 and 13.01.A.2 by the Subcontractor that actually performs the Work, at whatever tier, and (2) with respect to Contractor itself and to any Subcontractors of a tier higher than that of the Subcontractor that actually performs the Work, a fee of five percent of the amount (fee plus underlying costs incurred) attributable to the next lower tier Subcontractor; provided, however, that for any such subcontracted work the maximum total fee to be paid by Owner shall be no greater than 27 percent of the costs incurred by the Subcontractor that actually performs the work;
 - d. no fee shall be payable on the basis of costs itemized under Paragraphs 13.01.B.4, 13.01.B.5, and 13.01.C;
 - e. the amount of credit to be allowed by Contractor to Owner for any change which results in a net decrease in cost will be the amount of the actual net decrease in cost plus a deduction in Contractor's fee by an amount equal to five percent of such net decrease; and
 - f. when both additions and credits are involved in any one change, the adjustment in Contractor's fee shall be computed on the basis of the net change in accordance with Paragraphs 11.04.C.2.a through 11.04.C.2.e, inclusive.

11.05 *Change of Contract Times*

- A. The Contract Times may only be changed by a Change Order. Any Change Proposal for an adjustment in the Contract Times shall comply with the provisions of Paragraph 11.06. Any Claim for an adjustment in the Contract Times shall comply with the provisions of Article 12.
- B. An adjustment of the Contract Times shall be subject to the limitations set forth in Paragraph 4.05, concerning delays in Contractor's progress.

11.06 *Change Proposals*

- A. Contractor shall submit a Change Proposal to Engineer to request an adjustment in the Contract Times or Contract Price; appeal an initial decision by Engineer concerning the requirements of the Contract Documents or relating to the acceptability of the Work under the Contract Documents; contest a set-off against payment due; or seek other relief under

the Contract. The Change Proposal shall specify any proposed change in Contract Times or Contract Price, or both, or other proposed relief, and explain the reason for the proposed change, with citations to any governing or applicable provisions of the Contract Documents.

1. *Procedures:* Contractor shall submit each Change Proposal to Engineer promptly (but in no event later than 30 days) after the start of the event giving rise thereto, or after such initial decision. The Contractor shall submit supporting data, including the proposed change in Contract Price or Contract Time (if any), to the Engineer and Owner within 15 days after the submittal of the Change Proposal. The supporting data shall be accompanied by a written statement that the supporting data are accurate and complete, and that any requested time or price adjustment is the entire adjustment to which Contractor believes it is entitled as a result of said event. Engineer will advise Owner regarding the Change Proposal, and consider any comments or response from Owner regarding the Change Proposal.
 2. *Engineer's Action:* Engineer will review each Change Proposal and, within 30 days after receipt of the Contractor's supporting data, either deny the Change Proposal in whole, approve it in whole, or deny it in part and approve it in part. Such actions shall be in writing, with a copy provided to Owner and Contractor. If Engineer does not take action on the Change Proposal within 30 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of Engineer's inaction the Change Proposal is deemed denied, thereby commencing the time for appeal of the denial under Article 12.
 3. *Binding Decision:* Engineer's decision will be final and binding upon Owner and Contractor, unless Owner or Contractor appeals the decision by filing a Claim under Article 12.
- B. *Resolution of Certain Change Proposals:* If the Change Proposal does not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters, then Engineer will notify the parties that the Engineer is unable to resolve the Change Proposal. For purposes of further resolution of such a Change Proposal, such notice shall be deemed a denial, and Contractor may choose to seek resolution under the terms of Article 12.

11.07 *Execution of Change Orders*

- A. Owner and Contractor shall execute appropriate Change Orders covering:
1. changes in the Contract Price or Contract Times which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed in accordance with a Work Change Directive;
 2. changes in Contract Price resulting from an Owner set-off, unless Contractor has duly contested such set-off;
 3. changes in the Work which are: (a) ordered by Owner pursuant to Paragraph 11.02, (b) required because of Owner's acceptance of defective Work under Paragraph 14.04 or Owner's correction of defective Work under Paragraph 14.07, or (c) agreed to by the parties, subject to the need for Engineer's recommendation if the change in the Work involves the design (as set forth in the Drawings, Specifications, or otherwise), or other engineering or technical matters; and
 4. changes in the Contract Price or Contract Times, or other changes, which embody the substance of any final and binding results under Paragraph 11.06, or Article 12.

- B. If Owner or Contractor refuses to execute a Change Order that is required to be executed under the terms of this Paragraph 11.07, it shall be deemed to be of full force and effect, as if fully executed.

11.08 *Notification to Surety*

- A. If the provisions of any bond require notice to be given to a surety of any change affecting the general scope of the Work or the provisions of the Contract Documents (including, but not limited to, Contract Price or Contract Times), the giving of any such notice will be Contractor's responsibility. The amount of each applicable bond will be adjusted to reflect the effect of any such change.

ARTICLE 12 – CLAIMS

12.01 *Claims*

- A. *Claims Process:* The following disputes between Owner and Contractor shall be submitted to the Claims process set forth in this Article:
 - 1. Appeals by Owner or Contractor of Engineer's decisions regarding Change Proposals;
 - 2. Owner demands for adjustments in the Contract Price or Contract Times, or other relief under the Contract Documents; and
 - 3. Disputes that Engineer has been unable to address because they do not involve the design (as set forth in the Drawings, Specifications, or otherwise), the acceptability of the Work, or other engineering or technical matters.
- B. *Submittal of Claim:* The party submitting a Claim shall deliver it directly to the other party to the Contract promptly (but in no event later than 30 days) after the start of the event giving rise thereto; in the case of appeals regarding Change Proposals within 30 days of the decision under appeal. The party submitting the Claim shall also furnish a copy to the Engineer, for its information only. The responsibility to substantiate a Claim shall rest with the party making the Claim. In the case of a Claim by Contractor seeking an increase in the Contract Times or Contract Price, or both, Contractor shall certify that the Claim is made in good faith, that the supporting data are accurate and complete, and that to the best of Contractor's knowledge and belief the amount of time or money requested accurately reflects the full amount to which Contractor is entitled.
- C. *Review and Resolution:* The party receiving a Claim shall review it thoroughly, giving full consideration to its merits. The two parties shall seek to resolve the Claim through the exchange of information and direct negotiations. The parties may extend the time for resolving the Claim by mutual agreement. All actions taken on a Claim shall be stated in writing and submitted to the other party, with a copy to Engineer.
- D. *Mediation:*
 - 1. At any time after initiation of a Claim, Owner and Contractor may mutually agree to mediation of the underlying dispute. The agreement to mediate shall stay the Claim submittal and response process.
 - 2. If Owner and Contractor agree to mediation, then after 60 days from such agreement, either Owner or Contractor may unilaterally terminate the mediation process, and the Claim submittal and decision process shall resume as of the date of the termination. If the mediation proceeds but is unsuccessful in resolving the dispute, the Claim

submittal and decision process shall resume as of the date of the conclusion of the mediation, as determined by the mediator.

3. Owner and Contractor shall each pay one-half of the mediator's fees and costs.
- E. *Partial Approval*: If the party receiving a Claim approves the Claim in part and denies it in part, such action shall be final and binding unless within 30 days of such action the other party invokes the procedure set forth in Article 17 for final resolution of disputes.
- F. *Denial of Claim*: If efforts to resolve a Claim are not successful, the party receiving the Claim may deny it by giving written notice of denial to the other party. If the receiving party does not take action on the Claim within 90 days, then either Owner or Contractor may at any time thereafter submit a letter to the other party indicating that as a result of the inaction, the Claim is deemed denied, thereby commencing the time for appeal of the denial. A denial of the Claim shall be final and binding unless within 30 days of the denial the other party invokes the procedure set forth in Article 17 for the final resolution of disputes.
- G. *Final and Binding Results*: If the parties reach a mutual agreement regarding a Claim, whether through approval of the Claim, direct negotiations, mediation, or otherwise; or if a Claim is approved in part and denied in part, or denied in full, and such actions become final and binding; then the results of the agreement or action on the Claim shall be incorporated in a Change Order to the extent they affect the Contract, including the Work, the Contract Times, or the Contract Price.

ARTICLE 13 – COST OF THE WORK; ALLOWANCES; UNIT PRICE WORK

13.01 Cost of the Work

- A. *Purposes for Determination of Cost of the Work*: The term Cost of the Work means the sum of all costs necessary for the proper performance of the Work at issue, as further defined below. The provisions of this Paragraph 13.01 are used for two distinct purposes:
 1. To determine Cost of the Work when Cost of the Work is a component of the Contract Price, under cost-plus-fee, time-and-materials, or other cost-based terms; or
 2. To determine the value of a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price. When the value of any such adjustment is determined on the basis of Cost of the Work, Contractor is entitled only to those additional or incremental costs required because of the change in the Work or because of the event giving rise to the adjustment.
- B. *Costs Included*: Except as otherwise may be agreed to in writing by Owner, costs included in the Cost of the Work shall be in amounts no higher than those prevailing in the locality of the Project, shall not include any of the costs itemized in Paragraph 13.01.C, and shall include only the following items:
 1. Payroll costs for employees in the direct employ of Contractor in the performance of the Work under schedules of job classifications agreed upon by Owner and Contractor. Such employees shall include, without limitation, superintendents, foremen, and other personnel employed full time on the Work. Payroll costs for employees not employed full time on the Work shall be apportioned on the basis of their time spent on the Work. Payroll costs shall include, but not be limited to, salaries and wages plus the cost of fringe benefits, which shall include social security contributions, unemployment, excise, and payroll taxes, workers' compensation, health and retirement benefits, bonuses, sick leave, and vacation and holiday pay applicable

thereto. The expenses of performing Work outside of regular working hours, on Saturday, Sunday, or legal holidays, shall be included in the above to the extent authorized by Owner.

2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers' field services required in connection therewith. All cash discounts shall accrue to Contractor unless Owner deposits funds with Contractor with which to make payments, in which case the cash discounts shall accrue to Owner. All trade discounts, rebates, and refunds and returns from sale of surplus materials and equipment shall accrue to Owner, and Contractor shall make provisions so that they may be obtained.
3. Payments made by Contractor to Subcontractors for Work performed by Subcontractors. If required by Owner, Contractor shall obtain competitive bids from subcontractors acceptable to Owner and Contractor and shall deliver such bids to Owner, who will then determine, with the advice of Engineer, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee shall be determined in the same manner as Contractor's Cost of the Work and fee as provided in this Paragraph 13.01.
4. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed for services specifically related to the Work.
5. Supplemental costs including the following:
 - a. The proportion of necessary transportation, travel, and subsistence expenses of Contractor's employees incurred in discharge of duties connected with the Work.
 - b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, office, and temporary facilities at the Site, and hand tools not owned by the workers, which are consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of Contractor.
 - c. Rentals of all construction equipment and machinery, and the parts thereof, whether rented from Contractor or others in accordance with rental agreements approved by Owner with the advice of Engineer, and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof. All such costs shall be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts shall cease when the use thereof is no longer necessary for the Work.
 - d. Sales, consumer, use, and other similar taxes related to the Work, and for which Contractor is liable, as imposed by Laws and Regulations.
 - e. Deposits lost for causes other than negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.
 - f. Losses and damages (and related expenses) caused by damage to the Work, not compensated by insurance or otherwise, sustained by Contractor in connection with the performance of the Work (except losses and damages within the deductible amounts of property insurance established in accordance with Paragraph 6.05), provided such losses and damages have resulted from causes

other than the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses shall include settlements made with the written consent and approval of Owner. No such losses, damages, and expenses shall be included in the Cost of the Work for the purpose of determining Contractor's fee.

- g. The cost of utilities, fuel, and sanitary facilities at the Site.
- h. Minor expenses such as communication service at the Site, express and courier services, and similar petty cash items in connection with the Work.
- i. The costs of premiums for all bonds and insurance that Contractor is required by the Contract Documents to purchase and maintain.

C. *Costs Excluded:* The term Cost of the Work shall not include any of the following items:

- 1. Payroll costs and other compensation of Contractor's officers, executives, principals (of partnerships and sole proprietorships), general managers, safety managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks, and other personnel employed by Contractor, whether at the Site or in Contractor's principal or branch office for general administration of the Work and not specifically included in the agreed upon schedule of job classifications referred to in Paragraph 13.01.B.1 or specifically covered by Paragraph 13.01.B.4. The payroll costs and other compensation excluded here are to be considered administrative costs covered by the Contractor's fee.
- 2. Expenses of Contractor's principal and branch offices other than Contractor's office at the Site.
- 3. Any part of Contractor's capital expenses, including interest on Contractor's capital employed for the Work and charges against Contractor for delinquent payments.
- 4. Costs due to the negligence of Contractor, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.
- 5. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraph 13.01.B.

D. *Contractor's Fee:* When the Work as a whole is performed on the basis of cost-plus, Contractor's fee shall be determined as set forth in the Agreement. When the value of any Work covered by a Change Order, Change Proposal, Claim, set-off, or other adjustment in Contract Price is determined on the basis of Cost of the Work, Contractor's fee shall be determined as set forth in Paragraph 11.04.C.

E. *Documentation:* Whenever the Cost of the Work for any purpose is to be determined pursuant to this Article 13, Contractor will establish and maintain records thereof in accordance with generally accepted accounting practices and submit in a form acceptable to Engineer an itemized cost breakdown together with supporting data.

13.02 Allowances

- A. It is understood that Contractor has included in the Contract Price all allowances so named in the Contract Documents and shall cause the Work so covered to be performed for such sums and by such persons or entities as may be acceptable to Owner and Engineer.

- B. *Cash Allowances*: Contractor agrees that:
 - 1. the cash allowances include the cost to Contractor (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and
 - 2. Contractor's costs for unloading and handling on the Site, labor, installation, overhead, profit, and other expenses contemplated for the cash allowances have been included in the Contract Price and not in the allowances, and no demand for additional payment on account of any of the foregoing will be valid.
- C. *Contingency Allowance*: Contractor agrees that a contingency allowance, if any, is for the sole use of Owner to cover unanticipated costs.
- D. Prior to final payment, an appropriate Change Order will be issued as recommended by Engineer to reflect actual amounts due Contractor on account of Work covered by allowances, and the Contract Price shall be correspondingly adjusted.

13.03 *Unit Price Work*

- A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement.
- B. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Payments to Contractor for Unit Price Work will be based on actual quantities.
- C. Each unit price will be deemed to include an amount considered by Contractor to be adequate to cover Contractor's overhead and profit for each separately identified item.
- D. Engineer will determine the actual quantities and classifications of Unit Price Work performed by Contractor. Engineer will review with Contractor the Engineer's preliminary determinations on such matters before rendering a written decision thereon (by recommendation of an Application for Payment or otherwise). Engineer's written decision thereon will be final and binding (except as modified by Engineer to reflect changed factual conditions or more accurate data) upon Owner and Contractor, subject to the provisions of the following paragraph.
- E. Within 30 days of Engineer's written decision under the preceding paragraph, Contractor may submit a Change Proposal, or Owner may file a Claim, seeking an adjustment in the Contract Price if:
 - 1. the quantity of any item of Unit Price Work performed by Contractor differs materially and significantly from the estimated quantity of such item indicated in the Agreement;
 - 2. there is no corresponding adjustment with respect to any other item of Work; and
 - 3. Contractor believes that it is entitled to an increase in Contract Price as a result of having incurred additional expense or Owner believes that Owner is entitled to a decrease in Contract Price, and the parties are unable to agree as to the amount of any such increase or decrease.

ARTICLE 14 – TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE WORK

14.01 *Access to Work*

- A. Owner, Engineer, their consultants and other representatives and personnel of Owner, independent testing laboratories, and authorities having jurisdiction will have access to the Site and the Work at reasonable times for their observation, inspection, and testing. Contractor shall provide them proper and safe conditions for such access and advise them of Contractor's safety procedures and programs so that they may comply therewith as applicable.

14.02 *Tests, Inspections, and Approvals*

- A. Contractor shall give Engineer timely notice of readiness of the Work (or specific parts thereof) for all required inspections and tests, and shall cooperate with inspection and testing personnel to facilitate required inspections and tests.
- B. Owner shall retain and pay for the services of an independent inspector, testing laboratory, or other qualified individual or entity to perform all inspections and tests expressly required by the Contract Documents to be furnished and paid for by Owner, except that costs incurred in connection with tests or inspections of covered Work shall be governed by the provisions of Paragraph 14.05.
- C. If Laws or Regulations of any public body having jurisdiction require any Work (or part thereof) specifically to be inspected, tested, or approved by an employee or other representative of such public body, Contractor shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish Engineer the required certificates of inspection or approval.
- D. Contractor shall be responsible for arranging, obtaining, and paying for all inspections and tests required:
 - 1. by the Contract Documents, unless the Contract Documents expressly allocate responsibility for a specific inspection or test to Owner;
 - 2. to attain Owner's and Engineer's acceptance of materials or equipment to be incorporated in the Work;
 - 3. by manufacturers of equipment furnished under the Contract Documents;
 - 4. for testing, adjusting, and balancing of mechanical, electrical, and other equipment to be incorporated into the Work; and
 - 5. for acceptance of materials, mix designs, or equipment submitted for approval prior to Contractor's purchase thereof for incorporation in the Work.

Such inspections and tests shall be performed by independent inspectors, testing laboratories, or other qualified individuals or entities acceptable to Owner and Engineer.

- E. If the Contract Documents require the Work (or part thereof) to be approved by Owner, Engineer, or another designated individual or entity, then Contractor shall assume full responsibility for arranging and obtaining such approvals.
- F. If any Work (or the work of others) that is to be inspected, tested, or approved is covered by Contractor without written concurrence of Engineer, Contractor shall, if requested by Engineer, uncover such Work for observation. Such uncovering shall be at Contractor's expense unless Contractor had given Engineer timely notice of Contractor's intention to

cover the same and Engineer had not acted with reasonable promptness in response to such notice.

14.03 *Defective Work*

- A. *Contractor's Obligation:* It is Contractor's obligation to assure that the Work is not defective.
- B. *Engineer's Authority:* Engineer has the authority to determine whether Work is defective, and to reject defective Work.
- C. *Notice of Defects:* Prompt notice of all defective Work of which Owner or Engineer has actual knowledge will be given to Contractor.
- D. *Correction, or Removal and Replacement:* Promptly after receipt of written notice of defective Work, Contractor shall correct all such defective Work, whether or not fabricated, installed, or completed, or, if Engineer has rejected the defective Work, remove it from the Project and replace it with Work that is not defective.
- E. *Preservation of Warranties:* When correcting defective Work, Contractor shall take no action that would void or otherwise impair Owner's special warranty and guarantee, if any, on said Work.
- F. *Costs and Damages:* In addition to its correction, removal, and replacement obligations with respect to defective Work, Contractor shall pay all claims, costs, losses, and damages arising out of or relating to defective Work, including but not limited to the cost of the inspection, testing, correction, removal, replacement, or reconstruction of such defective Work, fines levied against Owner by governmental authorities because the Work is defective, and the costs of repair or replacement of work of others resulting from defective Work. Prior to final payment, if Owner and Contractor are unable to agree as to the measure of such claims, costs, losses, and damages resulting from defective Work, then Owner may impose a reasonable set-off against payments due under Article 15.

14.04 *Acceptance of Defective Work*

- A. If, instead of requiring correction or removal and replacement of defective Work, Owner prefers to accept it, Owner may do so (subject, if such acceptance occurs prior to final payment, to Engineer's confirmation that such acceptance is in general accord with the design intent and applicable engineering principles, and will not endanger public safety). Contractor shall pay all claims, costs, losses, and damages attributable to Owner's evaluation of and determination to accept such defective Work (such costs to be approved by Engineer as to reasonableness), and for the diminished value of the Work to the extent not otherwise paid by Contractor. If any such acceptance occurs prior to final payment, the necessary revisions in the Contract Documents with respect to the Work shall be incorporated in a Change Order. If the parties are unable to agree as to the decrease in the Contract Price, reflecting the diminished value of Work so accepted, then Owner may impose a reasonable set-off against payments due under Article 15. If the acceptance of defective Work occurs after final payment, Contractor shall pay an appropriate amount to Owner.

14.05 *Uncovering Work*

- A. Engineer has the authority to require special inspection or testing of the Work, whether or not the Work is fabricated, installed, or completed.

- B. If any Work is covered contrary to the written request of Engineer, then Contractor shall, if requested by Engineer, uncover such Work for Engineer's observation, and then replace the covering, all at Contractor's expense.
- C. If Engineer considers it necessary or advisable that covered Work be observed by Engineer or inspected or tested by others, then Contractor, at Engineer's request, shall uncover, expose, or otherwise make available for observation, inspection, or testing as Engineer may require, that portion of the Work in question, and provide all necessary labor, material, and equipment.
 - 1. If it is found that the uncovered Work is defective, Contractor shall be responsible for all claims, costs, losses, and damages arising out of or relating to such uncovering, exposure, observation, inspection, and testing, and of satisfactory replacement or reconstruction (including but not limited to all costs of repair or replacement of work of others); and pending Contractor's full discharge of this responsibility the Owner shall be entitled to impose a reasonable set-off against payments due under Article 15.
 - 2. If the uncovered Work is not found to be defective, Contractor shall be allowed an increase in the Contract Price or an extension of the Contract Times, or both, directly attributable to such uncovering, exposure, observation, inspection, testing, replacement, and reconstruction. If the parties are unable to agree as to the amount or extent thereof, then Contractor may submit a Change Proposal within 30 days of the determination that the Work is not defective.

14.06 *Owner May Stop the Work*

- A. If the Work is defective, or Contractor fails to supply sufficient skilled workers or suitable materials or equipment, or fails to perform the Work in such a way that the completed Work will conform to the Contract Documents, then Owner may order Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, this right of Owner to stop the Work shall not give rise to any duty on the part of Owner to exercise this right for the benefit of Contractor, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or employee or agent of any of them.

14.07 *Owner May Correct Defective Work*

- A. If Contractor fails within a reasonable time after written notice from Engineer to correct defective Work, or to remove and replace rejected Work as required by Engineer, or if Contractor fails to perform the Work in accordance with the Contract Documents, or if Contractor fails to comply with any other provision of the Contract Documents, then Owner may, after seven days written notice to Contractor, correct or remedy any such deficiency.
- B. In exercising the rights and remedies under this Paragraph 14.07, Owner shall proceed expeditiously. In connection with such corrective or remedial action, Owner may exclude Contractor from all or part of the Site, take possession of all or part of the Work and suspend Contractor's services related thereto, and incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere. Contractor shall allow Owner, Owner's representatives, agents and employees, Owner's other contractors, and Engineer and Engineer's consultants access to the Site to enable Owner to exercise the rights and remedies under this paragraph.
- C. All claims, costs, losses, and damages incurred or sustained by Owner in exercising the rights and remedies under this Paragraph 14.07 will be charged against Contractor as set-offs against payments due under Article 15. Such claims, costs, losses and damages will

include but not be limited to all costs of repair, or replacement of work of others destroyed or damaged by correction, removal, or replacement of Contractor's defective Work.

- D. Contractor shall not be allowed an extension of the Contract Times because of any delay in the performance of the Work attributable to the exercise by Owner of Owner's rights and remedies under this Paragraph 14.07.

ARTICLE 15 – PAYMENTS TO CONTRACTOR; SET-OFFS; COMPLETION; CORRECTION PERIOD

15.01 Progress Payments

- A. *Basis for Progress Payments:* The Schedule of Values established as provided in Article 2 will serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to Engineer. Progress payments on account of Unit Price Work will be based on the number of units completed during the pay period, as determined under the provisions of Paragraph 13.03. Progress payments for cost-based Work will be based on Cost of the Work completed by Contractor during the pay period.
- B. *Applications for Payments:*
 - 1. At least 20 days before the date established in the Agreement for each progress payment (but not more often than once a month), Contractor shall submit to Engineer for review an Application for Payment filled out and signed by Contractor covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment shall also be accompanied by a bill of sale, invoice, or other documentation warranting that Owner has received the materials and equipment free and clear of all Liens, and evidence that the materials and equipment are covered by appropriate property insurance, a warehouse bond, or other arrangements to protect Owner's interest therein, all of which must be satisfactory to Owner.
 - 2. Beginning with the second Application for Payment, each Application shall include an affidavit of Contractor stating that all previous progress payments received on account of the Work have been applied on account to discharge Contractor's legitimate obligations associated with prior Applications for Payment.
 - 3. The amount of retainage with respect to progress payments will be as stipulated in the Agreement.
- C. *Review of Applications:*
 - 1. Engineer will, within 10 days after receipt of each Application for Payment, including each resubmittal, either indicate in writing a recommendation of payment and present the Application to Owner, or return the Application to Contractor indicating in writing Engineer's reasons for refusing to recommend payment. In the latter case, Contractor may make the necessary corrections and resubmit the Application.
 - 2. Engineer's recommendation of any payment requested in an Application for Payment will constitute a representation by Engineer to Owner, based on Engineer's observations of the executed Work as an experienced and qualified design professional, and on Engineer's review of the Application for Payment and the accompanying data and schedules, that to the best of Engineer's knowledge, information and belief:

- a. the Work has progressed to the point indicated;
 - b. the quality of the Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, the results of any subsequent tests called for in the Contract Documents, a final determination of quantities and classifications for Unit Price Work under Paragraph 13.03, and any other qualifications stated in the recommendation); and
 - c. the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe the Work.
3. By recommending any such payment Engineer will not thereby be deemed to have represented that:
 - a. inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to Engineer in the Contract; or
 - b. there may not be other matters or issues between the parties that might entitle Contractor to be paid additionally by Owner or entitle Owner to withhold payment to Contractor.
4. Neither Engineer's review of Contractor's Work for the purposes of recommending payments nor Engineer's recommendation of any payment, including final payment, will impose responsibility on Engineer:
 - a. to supervise, direct, or control the Work, or
 - b. for the means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or
 - c. for Contractor's failure to comply with Laws and Regulations applicable to Contractor's performance of the Work, or
 - d. to make any examination to ascertain how or for what purposes Contractor has used the money paid on account of the Contract Price, or
 - e. to determine that title to any of the Work, materials, or equipment has passed to Owner free and clear of any Liens.
5. Engineer may refuse to recommend the whole or any part of any payment if, in Engineer's opinion, it would be incorrect to make the representations to Owner stated in Paragraph 15.01.C.2.
6. Engineer will recommend reductions in payment (set-offs) necessary in Engineer's opinion to protect Owner from loss because:
 - a. the Work is defective, requiring correction or replacement;
 - b. the Contract Price has been reduced by Change Orders;
 - c. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
 - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible; or

- e. Engineer has actual knowledge of the occurrence of any of the events that would constitute a default by Contractor and therefore justify termination for cause under the Contract Documents.

D. *Payment Becomes Due:*

- 1. Ten days after presentation of the Application for Payment to Owner with Engineer's recommendation, the amount recommended (subject to any Owner set-offs) will become due, and when due will be paid by Owner to Contractor.

E. *Reductions in Payment by Owner:*

- 1. In addition to any reductions in payment (set-offs) recommended by Engineer, Owner is entitled to impose a set-off against payment based on any of the following:
 - a. claims have been made against Owner on account of Contractor's conduct in the performance or furnishing of the Work, or Owner has incurred costs, losses, or damages on account of Contractor's conduct in the performance or furnishing of the Work, including but not limited to claims, costs, losses, or damages from workplace injuries, adjacent property damage, non-compliance with Laws and Regulations, and patent infringement;
 - b. Contractor has failed to take reasonable and customary measures to avoid damage, delay, disruption, and interference with other work at or adjacent to the Site;
 - c. Contractor has failed to provide and maintain required bonds or insurance;
 - d. Owner has been required to remove or remediate a Hazardous Environmental Condition for which Contractor is responsible;
 - e. Owner has incurred extra charges or engineering costs related to submittal reviews, evaluations of proposed substitutes, tests and inspections, or return visits to manufacturing or assembly facilities;
 - f. the Work is defective, requiring correction or replacement;
 - g. Owner has been required to correct defective Work in accordance with Paragraph 14.07, or has accepted defective Work pursuant to Paragraph 14.04;
 - h. the Contract Price has been reduced by Change Orders;
 - i. an event that would constitute a default by Contractor and therefore justify a termination for cause has occurred;
 - j. liquidated damages have accrued as a result of Contractor's failure to achieve Milestones, Substantial Completion, or final completion of the Work;
 - k. Liens have been filed in connection with the Work, except where Contractor has delivered a specific bond satisfactory to Owner to secure the satisfaction and discharge of such Liens;
 - l. there are other items entitling Owner to a set off against the amount recommended.
- 2. If Owner imposes any set-off against payment, whether based on its own knowledge or on the written recommendations of Engineer, Owner will give Contractor immediate written notice (with a copy to Engineer) stating the reasons for such action and the specific amount of the reduction, and promptly pay Contractor any amount

remaining after deduction of the amount so withheld. Owner shall promptly pay Contractor the amount so withheld, or any adjustment thereto agreed to by Owner and Contractor, if Contractor remedies the reasons for such action. The reduction imposed shall be binding on Contractor unless it duly submits a Change Proposal contesting the reduction.

3. Upon a subsequent determination that Owner's refusal of payment was not justified, the amount wrongfully withheld shall be treated as an amount due as determined by Paragraph 15.01.C.1 and subject to interest as provided in the Agreement.

15.02 *Contractor's Warranty of Title*

- A. Contractor warrants and guarantees that title to all Work, materials, and equipment furnished under the Contract will pass to Owner free and clear of (1) all Liens and other title defects, and (2) all patent, licensing, copyright, or royalty obligations, no later than seven days after the time of payment by Owner.

15.03 *Substantial Completion*

- A. When Contractor considers the entire Work ready for its intended use Contractor shall notify Owner and Engineer in writing that the entire Work is substantially complete and request that Engineer issue a certificate of Substantial Completion. Contractor shall at the same time submit to Owner and Engineer an initial draft of punch list items to be completed or corrected before final payment.
- B. Promptly after Contractor's notification, Owner, Contractor, and Engineer shall make an inspection of the Work to determine the status of completion. If Engineer does not consider the Work substantially complete, Engineer will notify Contractor in writing giving the reasons therefor.
- C. If Engineer considers the Work substantially complete, Engineer will deliver to Owner a preliminary certificate of Substantial Completion which shall fix the date of Substantial Completion. Engineer shall attach to the certificate a punch list of items to be completed or corrected before final payment. Owner shall have seven days after receipt of the preliminary certificate during which to make written objection to Engineer as to any provisions of the certificate or attached punch list. If, after considering the objections to the provisions of the preliminary certificate, Engineer concludes that the Work is not substantially complete, Engineer will, within 14 days after submission of the preliminary certificate to Owner, notify Contractor in writing that the Work is not substantially complete, stating the reasons therefor. If Owner does not object to the provisions of the certificate, or if despite consideration of Owner's objections Engineer concludes that the Work is substantially complete, then Engineer will, within said 14 days, execute and deliver to Owner and Contractor a final certificate of Substantial Completion (with a revised punch list of items to be completed or corrected) reflecting such changes from the preliminary certificate as Engineer believes justified after consideration of any objections from Owner.
- D. At the time of receipt of the preliminary certificate of Substantial Completion, Owner and Contractor will confer regarding Owner's use or occupancy of the Work following Substantial Completion, review the builder's risk insurance policy with respect to the end of the builder's risk coverage, and confirm the transition to coverage of the Work under a permanent property insurance policy held by Owner. Unless Owner and Contractor agree otherwise in writing, Owner shall bear responsibility for security, operation, protection of the Work, property insurance, maintenance, heat, and utilities upon Owner's use or occupancy of the Work.

- E. After Substantial Completion the Contractor shall promptly begin work on the punch list of items to be completed or corrected prior to final payment. In appropriate cases Contractor may submit monthly Applications for Payment for completed punch list items, following the progress payment procedures set forth above.
- F. Owner shall have the right to exclude Contractor from the Site after the date of Substantial Completion subject to allowing Contractor reasonable access to remove its property and complete or correct items on the punch list.

15.04 *Partial Use or Occupancy*

- A. Prior to Substantial Completion of all the Work, Owner may use or occupy any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which Owner, Engineer, and Contractor agree constitutes a separately functioning and usable part of the Work that can be used by Owner for its intended purpose without significant interference with Contractor's performance of the remainder of the Work, subject to the following conditions:
 - 1. At any time Owner may request in writing that Contractor permit Owner to use or occupy any such part of the Work that Owner believes to be substantially complete. If and when Contractor agrees that such part of the Work is substantially complete, Contractor, Owner, and Engineer will follow the procedures of Paragraph 15.03.A through E for that part of the Work.
 - 2. At any time Contractor may notify Owner and Engineer in writing that Contractor considers any such part of the Work substantially complete and request Engineer to issue a certificate of Substantial Completion for that part of the Work.
 - 3. Within a reasonable time after either such request, Owner, Contractor, and Engineer shall make an inspection of that part of the Work to determine its status of completion. If Engineer does not consider that part of the Work to be substantially complete, Engineer will notify Owner and Contractor in writing giving the reasons therefor. If Engineer considers that part of the Work to be substantially complete, the provisions of Paragraph 15.03 will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto.
 - 4. No use or occupancy or separate operation of part of the Work may occur prior to compliance with the requirements of Paragraph 6.05 regarding builder's risk or other property insurance.

15.05 *Final Inspection*

- A. Upon written notice from Contractor that the entire Work or an agreed portion thereof is complete, Engineer will promptly make a final inspection with Owner and Contractor and will notify Contractor in writing of all particulars in which this inspection reveals that the Work, or agreed portion thereof, is incomplete or defective. Contractor shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.

15.06 *Final Payment*

- A. *Application for Payment:*
 - 1. After Contractor has, in the opinion of Engineer, satisfactorily completed all corrections identified during the final inspection and has delivered, in accordance with the Contract Documents, all maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance, certificates of

inspection, annotated record documents (as provided in Paragraph 7.11), and other documents, Contractor may make application for final payment.

2. The final Application for Payment shall be accompanied (except as previously delivered) by:
 - a. all documentation called for in the Contract Documents;
 - b. consent of the surety, if any, to final payment;
 - c. satisfactory evidence that all title issues have been resolved such that title to all Work, materials, and equipment has passed to Owner free and clear of any Liens or other title defects, or will so pass upon final payment.
 - d. a list of all disputes that Contractor believes are unsettled; and
 - e. complete and legally effective releases or waivers (satisfactory to Owner) of all Lien rights arising out of the Work, and of Liens filed in connection with the Work.
3. In lieu of the releases or waivers of Liens specified in Paragraph 15.06.A.2 and as approved by Owner, Contractor may furnish receipts or releases in full and an affidavit of Contractor that: (a) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (b) all payrolls, material and equipment bills, and other indebtedness connected with the Work for which Owner might in any way be responsible, or which might in any way result in liens or other burdens on Owner's property, have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, Contractor may furnish a bond or other collateral satisfactory to Owner to indemnify Owner against any Lien, or Owner at its option may issue joint checks payable to Contractor and specified Subcontractors and Suppliers.

B. *Engineer's Review of Application and Acceptance:*

1. If, on the basis of Engineer's observation of the Work during construction and final inspection, and Engineer's review of the final Application for Payment and accompanying documentation as required by the Contract Documents, Engineer is satisfied that the Work has been completed and Contractor's other obligations under the Contract have been fulfilled, Engineer will, within ten days after receipt of the final Application for Payment, indicate in writing Engineer's recommendation of final payment and present the Application for Payment to Owner for payment. Such recommendation shall account for any set-offs against payment that are necessary in Engineer's opinion to protect Owner from loss for the reasons stated above with respect to progress payments. At the same time Engineer will also give written notice to Owner and Contractor that the Work is acceptable, subject to the provisions of Paragraph 15.07. Otherwise, Engineer will return the Application for Payment to Contractor, indicating in writing the reasons for refusing to recommend final payment, in which case Contractor shall make the necessary corrections and resubmit the Application for Payment.

C. *Completion of Work:* The Work is complete (subject to surviving obligations) when it is ready for final payment as established by the Engineer's written recommendation of final payment.

D. *Payment Becomes Due:* Thirty days after the presentation to Owner of the final Application for Payment and accompanying documentation, the amount recommended by Engineer (less any further sum Owner is entitled to set off against Engineer's recommendation,

including but not limited to set-offs for liquidated damages and set-offs allowed under the provisions above with respect to progress payments) will become due and shall be paid by Owner to Contractor.

15.07 *Waiver of Claims*

- A. The making of final payment will not constitute a waiver by Owner of claims or rights against Contractor. Owner expressly reserves claims and rights arising from unsettled Liens, from defective Work appearing after final inspection pursuant to Paragraph 15.05, from Contractor's failure to comply with the Contract Documents or the terms of any special guarantees specified therein, from outstanding Claims by Owner, or from Contractor's continuing obligations under the Contract Documents.
- B. The acceptance of final payment by Contractor will constitute a waiver by Contractor of all claims and rights against Owner other than those pending matters that have been duly submitted or appealed under the provisions of Article 17.

15.08 *Correction Period*

- A. If within one year after the date of Substantial Completion (or such longer period of time as may be prescribed by the terms of any applicable special guarantee required by the Contract Documents, or by any specific provision of the Contract Documents), any Work is found to be defective, or if the repair of any damages to the Site, adjacent areas that Contractor has arranged to use through construction easements or otherwise, and other adjacent areas used by Contractor as permitted by Laws and Regulations, is found to be defective, then Contractor shall promptly, without cost to Owner and in accordance with Owner's written instructions:
 - 1. correct the defective repairs to the Site or such other adjacent areas;
 - 2. correct such defective Work;
 - 3. if the defective Work has been rejected by Owner, remove it from the Project and replace it with Work that is not defective, and
 - 4. satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others, or to other land or areas resulting therefrom.
- B. If Contractor does not promptly comply with the terms of Owner's written instructions, or in an emergency where delay would cause serious risk of loss or damage, Owner may have the defective Work corrected or repaired or may have the rejected Work removed and replaced. Contractor shall pay all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others).
- C. In special circumstances where a particular item of equipment is placed in continuous service before Substantial Completion of all the Work, the correction period for that item may start to run from an earlier date if so provided in the Specifications.
- D. Where defective Work (and damage to other Work resulting therefrom) has been corrected or removed and replaced under this paragraph, the correction period hereunder with respect to such Work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.

- E. Contractor's obligations under this paragraph are in addition to all other obligations and warranties. The provisions of this paragraph shall not be construed as a substitute for, or a waiver of, the provisions of any applicable statute of limitation or repose.

ARTICLE 16 – SUSPENSION OF WORK AND TERMINATION

16.01 *Owner May Suspend Work*

- A. At any time and without cause, Owner may suspend the Work or any portion thereof for a period of not more than 90 consecutive days by written notice to Contractor and Engineer. Such notice will fix the date on which Work will be resumed. Contractor shall resume the Work on the date so fixed. Contractor shall be entitled to an adjustment in the Contract Price or an extension of the Contract Times, or both, directly attributable to any such suspension. Any Change Proposal seeking such adjustments shall be submitted no later than 30 days after the date fixed for resumption of Work.

16.02 *Owner May Terminate for Cause*

- A. The occurrence of any one or more of the following events will constitute a default by Contractor and justify termination for cause:
 - 1. Contractor's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment or failure to adhere to the Progress Schedule);
 - 2. Failure of Contractor to perform or otherwise to comply with a material term of the Contract Documents;
 - 3. Contractor's disregard of Laws or Regulations of any public body having jurisdiction; or
 - 4. Contractor's repeated disregard of the authority of Owner or Engineer.
- B. If one or more of the events identified in Paragraph 16.02.A occurs, then after giving Contractor (and any surety) ten days written notice that Owner is considering a declaration that Contractor is in default and termination of the contract, Owner may proceed to:
 - 1. declare Contractor to be in default, and give Contractor (and any surety) notice that the Contract is terminated; and
 - 2. enforce the rights available to Owner under any applicable performance bond.
- C. Subject to the terms and operation of any applicable performance bond, if Owner has terminated the Contract for cause, Owner may exclude Contractor from the Site, take possession of the Work, incorporate in the Work all materials and equipment stored at the Site or for which Owner has paid Contractor but which are stored elsewhere, and complete the Work as Owner may deem expedient.
- D. Owner may not proceed with termination of the Contract under Paragraph 16.02.B if Contractor within seven days of receipt of notice of intent to terminate begins to correct its failure to perform and proceeds diligently to cure such failure.
- E. If Owner proceeds as provided in Paragraph 16.02.B, Contractor shall not be entitled to receive any further payment until the Work is completed. If the unpaid balance of the Contract Price exceeds the cost to complete the Work, including all related claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals) sustained by Owner, such excess will be paid to Contractor. If the cost to complete the Work including such related claims, costs, losses,

and damages exceeds such unpaid balance, Contractor shall pay the difference to Owner. Such claims, costs, losses, and damages incurred by Owner will be reviewed by Engineer as to their reasonableness and, when so approved by Engineer, incorporated in a Change Order. When exercising any rights or remedies under this paragraph, Owner shall not be required to obtain the lowest price for the Work performed.

- F. Where Contractor's services have been so terminated by Owner, the termination will not affect any rights or remedies of Owner against Contractor then existing or which may thereafter accrue, or any rights or remedies of Owner against Contractor or any surety under any payment bond or performance bond. Any retention or payment of money due Contractor by Owner will not release Contractor from liability.
- G. If and to the extent that Contractor has provided a performance bond under the provisions of Paragraph 6.01.A, the provisions of that bond shall govern over any inconsistent provisions of Paragraphs 16.02.B and 16.02.D.

16.03 *Owner May Terminate For Convenience*

- A. Upon seven days written notice to Contractor and Engineer, Owner may, without cause and without prejudice to any other right or remedy of Owner, terminate the Contract. In such case, Contractor shall be paid for (without duplication of any items):
 - 1. completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit on such Work;
 - 2. expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses; and
 - 3. other reasonable expenses directly attributable to termination, including costs incurred to prepare a termination for convenience cost proposal.
- B. Contractor shall not be paid on account of loss of anticipated overhead, profits, or revenue, or other economic loss arising out of or resulting from such termination.

16.04 *Contractor May Stop Work or Terminate*

- A. If, through no act or fault of Contractor, (1) the Work is suspended for more than 90 consecutive days by Owner or under an order of court or other public authority, or (2) Engineer fails to act on any Application for Payment within 30 days after it is submitted, or (3) Owner fails for 30 days to pay Contractor any sum finally determined to be due, then Contractor may, upon seven days written notice to Owner and Engineer, and provided Owner or Engineer do not remedy such suspension or failure within that time, terminate the contract and recover from Owner payment on the same terms as provided in Paragraph 16.03.
- B. In lieu of terminating the Contract and without prejudice to any other right or remedy, if Engineer has failed to act on an Application for Payment within 30 days after it is submitted, or Owner has failed for 30 days to pay Contractor any sum finally determined to be due, Contractor may, seven days after written notice to Owner and Engineer, stop the Work until payment is made of all such amounts due Contractor, including interest thereon. The provisions of this paragraph are not intended to preclude Contractor from submitting a Change Proposal for an adjustment in Contract Price or Contract Times or otherwise for

expenses or damage directly attributable to Contractor's stopping the Work as permitted by this paragraph.

ARTICLE 17 – FINAL RESOLUTION OF DISPUTES

17.01 *Methods and Procedures*

- A. *Disputes Subject to Final Resolution:* The following disputed matters are subject to final resolution under the provisions of this Article:
 - 1. A timely appeal of an approval in part and denial in part of a Claim, or of a denial in full; and
 - 2. Disputes between Owner and Contractor concerning the Work or obligations under the Contract Documents, and arising after final payment has been made.
- B. *Final Resolution of Disputes:* For any dispute subject to resolution under this Article, Owner or Contractor may:
 - 1. elect in writing to invoke the dispute resolution process provided for in the Supplementary Conditions; or
 - 2. agree with the other party to submit the dispute to another dispute resolution process; or
 - 3. if no dispute resolution process is provided for in the Supplementary Conditions or mutually agreed to, give written notice to the other party of the intent to submit the dispute to a court of competent jurisdiction.

ARTICLE 18 – MISCELLANEOUS

18.01 *Giving Notice*

- A. Whenever any provision of the Contract Documents requires the giving of written notice, it will be deemed to have been validly given if:
 - 1. delivered in person, by a commercial courier service or otherwise, to the individual or to a member of the firm or to an officer of the corporation for which it is intended; or
 - 2. delivered at or sent by registered or certified mail, postage prepaid, to the last business address known to the sender of the notice.

18.02 *Computation of Times*

- A. When any period of time is referred to in the Contract by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period falls on a Saturday or Sunday or on a day made a legal holiday by the law of the applicable jurisdiction, such day will be omitted from the computation.

18.03 *Cumulative Remedies*

- A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by Laws or Regulations, by special warranty or guarantee, or by other provisions of the Contract. The provisions of this paragraph will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right, and remedy to which they apply.

18.04 *Limitation of Damages*

- A. With respect to any and all Change Proposals, Claims, disputes subject to final resolution, and other matters at issue, neither Owner nor Engineer, nor any of their officers, directors, members, partners, employees, agents, consultants, or subcontractors, shall be liable to Contractor for any claims, costs, losses, or damages sustained by Contractor on or in connection with any other project or anticipated project.

18.05 *No Waiver*

- A. A party's non-enforcement of any provision shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Contract.

18.06 *Survival of Obligations*

- A. All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with the Contract, as well as all continuing obligations indicated in the Contract, will survive final payment, completion, and acceptance of the Work or termination or completion of the Contract or termination of the services of Contractor.

18.07 *Controlling Law*

- A. This Contract is to be governed by the law of the state in which the Project is located.

18.08 *Headings*

- A. Article and paragraph headings are inserted for convenience only and do not constitute parts of these General Conditions.

SECTION 00810
SUPPLEMENTARY CONDITIONS

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. This section describes the supplementary conditions of the project and contract agreement. The conditions contained in this Section are specific administrative and policy requirements in addition to the general conditions and other requirements listed in the contract documents.

1.02 REFERENCES - NOT USED

1.03 DEFINITIONS - SECTION 0700

1.04 INDEMNIFICATION

- A. The Contractor agrees to indemnify and to hold the Owner and the (*Architect or Engineer*) harmless from and against any and all damages, claims, demands, suits, judgments and costs including attorney's fees and expenses for or on account of damage to property of any person, firm corporation, or Government agency, or death of or injury to any person or persons (including property and employees of the Owner, the Contractor, and employees of the Contractor) directly or indirectly arising out of, or caused by or in connection with the performance of or failure to perform any work provided for hereunder by the Contractor, his subcontractors, or their or the Contractor's agents, servants, or employees.
- B. To the fullest extent permitted by Laws and Regulations, Owner shall indemnify and hold harmless Contractor, Subcontractors, Engineer, Engineer's Consultants and the officers, directors, partners, employees, agents, other consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition, provided that such Hazardous Environmental Condition: (i) was not shown or indicated in the Drawings or Specifications or identified in the Contract Documents to be included within the scope of the Work, and (ii) was not created by Contractor or by anyone for whom Contractor is responsible. Nothing in this Section shall obligate Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.

- C. To the fullest extent permitted by Laws and Regulations, Contractor shall indemnify and hold harmless Owner, *(Architect or Engineer)*, *(Architect's or Engineer's)* Consultants, and the officers, directors, partners, employees, agents, other consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition created by Contractor or by anyone for whom Contractor is responsible. Nothing in this paragraph shall obligate Contractor to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.

1.05 INSURANCE

- A. All the policies of insurance (and the certificates or other evidence thereof) required to be purchased and maintained in accordance this Section and the Contract Documents, shall contain a provision or endorsement that the coverage afforded will not be canceled or materially changed or renewal refused until at least 30 days prior written notice has been given to Owner, Construction Manager and Contractor and to each other additional insured to whom a certificate of insurance has been issued and will contain waiver provisions in accordance with this Section and the Contract Documents.
- B. The Contractor will shall require the subcontractors to provide to the Owner all the below insurance limits by the use of a certificate of insurance.
- C. The Contractor shall not commence work under this contract until he has obtained all the insurance required under this paragraph and such insurance has been approved by the Owner.
 - 1. Worker's Compensation Insurance: The Contractor shall procure and shall maintain during the life of this Contract, Worker's Compensation Insurance as required by the State of Texas for all of employees to be engaged in work at the site of the project under this contract and, in case of any such work sublet, the Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all employees to be engaged in such work unless such employees are covered by the protection afforded by the Contractor's Worker's Compensation Insurance.
 - 2. Contractor's Public Liability and Property Damage Insurance and Vehicle Liability Insurance: The Contractor shall procure and shall maintain during the life of this contract Contractor's Public Liability Insurance, Contractor's Property Damage Insurance and Vehicle Liability Insurance in the following amounts shown in Insurance Limits in Paragraph 1.06 below.

- D. Proof of Insurance: The Contractor and Subcontractors shall furnish the Owner with certificates showing the type, amount, class of operations covered, effective dates and date of expiration of policies. Such certificates shall also contain substantially the following statement: "The insurance covered by this certificate will not be canceled or materially altered, except after ten (10) days written notice has been received by the Owner."

1.06 INSURANCE LIMITS

The Contractor and Subcontractors, at his expense, shall take out and keep in force throughout the term of this Contract, the following insurance coverage in the amounts specified below to cover all of his operations in connection with the work to be performed under the Technical Specifications. The insurance certificates shall be submitted to the Owner for acceptance prior to move in and beginning work.

MINIMUM INSURANCE REQUIREMENTS

<u>INSURANCE TYPE</u>	<u>LIMITS OF LIABILITY</u>
<u>A. Workman's Compensation</u>	\$1,000,000 per occurrence
<u>B. General Liability</u> Comprehensive Form Premises - Operations Products/Completed Operations Hazard Contractual Insurance Independent Contractors Personal Injury	\$1,000,000
<u>C. Automobile Liability</u> Comprehensive Owned Hired Non-owned	\$1,000,000
<u>D. Excess Liability</u> Umbrella Form	\$1,000,000
<u>E. Property Damage</u>	\$1,000,000

The remaining term of all policies shall extend at least to the completion date of this Contract; if the expiration date shall occur prior to final completion of all operations hereunder, Contractor shall, not less than fifteen (15) days prior to expiration date, furnish evidence of renewal of or extension of such insurance. All such evidence of insurance shall provide for ten (10) days prior notice to be given to Owner in the event of cancellation.

1.07 EQUAL EMPLOYMENT OPPORTUNITY AND AFFIRMATIVE ACTION PROGRAM

A. Equal Employment Opportunity

1. The Contractor will not discriminate against any employee or the applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, promotion, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the owner.
2. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
3. The Contractor will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this contract so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.
4. The Contractor shall take affirmative actions to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions.
5. Contractors are encouraged to participate in voluntary associations which assist in fulfilling their affirmative action obligations.

6. A single goal for minorities and a separate single goal for women have been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority.
7. The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.
8. The Contractor shall not enter into any Subcontract with any person or firm debarred from Government contracts.
9. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents.

B. Affirmative Action for Handicapped Workers

1. The Contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: employment, promotion, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

C. Non Segregated Facilities

1. The Contractor certifies that he does not and will not maintain or provide for his employees any segregated facilities at any of his establishments, and that he does not and will not permit his employees any segregated facilities at any of his establishments, or permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. As used in this paragraph the term "segregated facilities" means any waiting rooms, work areas, rest rooms and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, creed, color, or national origin, because of habit, local custom, or otherwise.

PART 2 - PRODUCT - NOT USED

PART 3 - EXECUTION - NOT USED

END OF SECTION

SECTION 00830
WARRANTY AND FINAL PAYMENT

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. This section describes the warranty and final payment. The conditions contained in this Section are specific administrative and policy requirements in addition to the general conditions and other requirements listed in the contract documents.

1.02 REFERENCES – NOT USED

1.03 DEFINITIONS – SECTION 0700

1.04 CONTRACTOR'S WARRANTY OF TITLE

- A. CONTRACTOR warrants and guarantees that all Work, materials, and equipment covered by any Application for Payment, whether incorporated in the Project or not, will pass to OWNER no later than the time of payment free and clear of all Liens.

1.05 SUBSTANTIAL COMPLETION

- A. When CONTRACTOR considers the entire Work ready for its intended use CONTRACTOR shall notify OWNER and ENGINEER in writing that the entire Work is substantially complete (except for items specifically listed by CONTRACTOR as incomplete) and request that ENGINEER issue a certificate of Substantial Completion. Promptly thereafter, OWNER, CONTRACTOR and ENGINEER shall make an inspection of the Work to determine the status of completion. If ENGINEER does not consider the Work substantially complete, ENGINEER will notify CONTRACTOR in writing giving the reasons therefore. If ENGINEER considers the Work substantially complete, ENGINEER will prepare and deliver to OWNER a tentative certificate of Substantial Completion which shall fix the date of Substantial Completion. There shall be attached to the certificate a tentative list of items to be completed or corrected before final payment. OWNER shall have seven days after receipt of the tentative certificate during which to make written objection to ENGINEER as to any provisions of the certificate or attached list. If, after considering such objections, ENGINEER concludes that the Work is not substantially complete, ENGINEER will within 14 days after submission of the tentative certificate to OWNER notify CONTRACTOR in writing, stating the reasons therefore. If, after consideration of OWNER's objections, ENGINEER considers the Work substantially complete, ENGINEER will within said 14 days execute and deliver to OWNER and CONTRACTOR a definitive certificate of Substantial Completion (with a revised tentative list of items to be completed or corrected) reflecting such changes from the tentative certificate as ENGINEER believes justified after consideration of any objections from OWNER. At the time of delivery of the tentative certificate of Substantial Completion ENGINEER will deliver to OWNER and CONTRACTOR a written recommendation as to division of responsibilities pending final payment between OWNER and CONTRACTOR with respect to security, operation, safety and protection of the Work, maintenance, heat, utilities, insurance, and warranties and guarantees. Unless OWNER and CONTRACTOR agree otherwise in writing and so inform ENGINEER in writing prior to ENGINEER's issuing the definitive certificate of Substantial Completion, ENGINEER's aforesaid recommendation will be binding on OWNER and CONTRACTOR until final payment.
- B. OWNER shall have the right to exclude CONTRACTOR from the Site after the date of Substantial Completion, but OWNER shall allow CONTRACTOR reasonable access to complete or correct items on the tentative list.

1.06 PARTIAL UTILIZATION

- A. Use by OWNER at OWNER's option of any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which OWNER, ENGINEER, and CONTRACTOR agree constitutes a separately functioning and usable part of the Work that can be used by OWNER for its intended purpose without significant interference with CONTRACTOR's performance of the remainder of the Work, may be accomplished prior to Substantial Completion of all the Work subject to the following conditions.

- B. OWNER at any time may request CONTRACTOR in writing to permit OWNER to use any such part of the Work which OWNER believes to be ready for its intended use and substantially complete. If CONTRACTOR agrees that such part of the Work is substantially complete, CONTRACTOR will certify to OWNER and ENGINEER that such part of the Work is substantially complete and request ENGINEER to issue a certificate of Substantial Completion for that part of the Work. CONTRACTOR at any time may notify OWNER and ENGINEER in writing that CONTRACTOR considers any such part of the Work ready for its intended use and substantially complete and request ENGINEER to issue a certificate of Substantial Completion for that part of the Work. Within a reasonable time after either such request, OWNER, CONTRACTOR, and ENGINEER shall make an inspection of that part of the Work to determine its status of completion. If ENGINEER does not consider that part of the Work to be substantially complete, ENGINEER will notify OWNER and CONTRACTOR in writing giving the reasons therefore. If ENGINEER considers that part of the Work to be substantially complete, the above provisions will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto. No occupancy or separate operation of part of the Work may occur prior to compliance with the requirement of regarding property insurance.

1.07 FINAL INSPECTION

- A. Upon written notice from CONTRACTOR that the entire Work or an agreed portion thereof is complete, ENGINEER will promptly make a final inspection with OWNER, and CONTRACTOR and will notify CONTRACTOR in writing of all particulars in which this inspection reveals that the Work is incomplete or defective. CONTRACTOR shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.

1.08 FINAL PAYMENT

A. Application for Payment

1. After CONTRACTOR has, in the opinion of ENGINEER, satisfactorily completed all corrections identified during the final inspection and has delivered, in accordance with the Contract Documents, all maintenance and operating instructions, schedules, guarantees, Bonds, certificates or other evidence of insurance certificates of inspection, marked-up record documents and other documents, CONTRACTOR may make application for final payment following the procedure for progress payments.
2. The final Application for Payment shall be accompanied (except as previously delivered) by: (i) all documentation called for in the Contract Documents, including but not limited to the evidence of insurance required (ii) consent of the surety, if any, to final payment; and (iii) complete and legally effective releases or waivers (satisfactory to OWNER) of all Lien rights arising out of or Liens filed in connection with the Work.

3. In lieu of the releases or waivers of Liens specified above and as approved by OWNER, the CONTRACTOR may furnish receipts or releases in full and an affidavit of CONTRACTOR that: (i) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (ii) all payrolls, material and equipment bills, and other indebtedness connected with the Work for which OWNER or OWNER's property might in any way be responsible have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, CONTRACTOR may furnish a Bond or other collateral satisfactory to OWNER to indemnify OWNER against any Lien.
4. If, on the basis of ENGINEER's observation of the Work during construction and final inspection, and ENGINEER's review of the final Application for Payment and accompanying documentation as required by the Contract Documents, ENGINEER is satisfied that the Work has been completed and CONTRACTOR's other obligations under the Contract Documents have been fulfilled, ENGINEER will, within ten days after receipt of the final Application for Payment, indicate in writing ENGINEER's recommendation of payment and present the Application for Payment to OWNER. At the same time ENGINEER will also give written notice to OWNER and CONTRACTOR that the Work is acceptable subject to the above provisions. Otherwise, ENGINEER will return the Application for Payment to CONTRACTOR, indicating in writing the reasons for refusing to recommend final payment, in which case CONTRACTOR shall make the necessary corrections and resubmit the Application for Payment.
5. Payment becomes due within thirty days after approval, the amount recommended by ENGINEER will become due and, when due, will be paid by OWNER to CONTRACTOR.
6. If, through no fault of CONTRACTOR, final completion of the Work is significantly delayed, and if ENGINEER so confirms, OWNER shall, upon receipt of CONTRACTOR's final Application for Payment and recommendation of ENGINEER, and without terminating the Agreement, make payment of the balance due for that portion of the Work fully completed and accepted. If the remaining balance to be held by OWNER for Work not fully completed or corrected is less than the retainage stipulated in the Agreement, and if Bonds have been furnished as required above, the written consent of the surety to the payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by CONTRACTOR to ENGINEER with the Application for such payment. Such payment shall be made under the terms and conditions governing final payment, except that it shall not constitute a waiver of Claims.

1.09 WAIVER OF CLAIMS

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

1. A waiver of all Claims by OWNER against CONTRACTOR, except Claims arising from unsettled Liens, from defective Work appearing after final inspection pursuant to the above, from failure to comply with the Contract Documents or the terms of any special guarantees specified therein, or from CONTRACTOR's continuing obligations under the Contract Documents; and

2. A waiver of all Claims by CONTRACTOR against OWNER other than those previously made in writing which are still unsettled.

PART 2 - PRODUCTS- NOT USED

PART 3 - EXECUTION - NOT USED

END OF SECTION

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SECTION 00910

MODIFICATIONS

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. This section contains information pertaining to modifications and changes of the Contract Documents for the Project.

1.02 REFERENCES - NOT USED

1.03 DEFINITIONS - SECTION 0700

1.04 MODIFICATIONS OF CONTRACT DOCUMENTS

- A. The Contract Documents may be amended to provide for additions, deletions, and revisions in the Work or to modify the terms and conditions thereof in one or more of the following ways: (i) a Written Amendment; (ii) a Change Order; or (iii) a Work Change Directive.
- B. The requirements of the Contract Documents may be supplemented and minor variations and deviations in the Work may be authorized, by one or more of the following ways: (i) a Field Order; (ii) Engineer's approval of a Shop Drawing or Sample; or (iii) Engineer's written interpretation or clarification.
- C. Contractor and any Subcontractor or Supplier or other individual or entity performing or furnishing any of the Work under a direct or indirect contract with Owner: (i) shall not have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of Engineer or Engineer's Consultant, including electronic media editions; and (ii) shall not reuse any of such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of Owner and Engineer and specific written verification or adoption by Engineer. This prohibition will survive final payment, completion, and acceptance of the Work, or termination or completion of the Contract. Nothing herein shall preclude Contractor from retaining copies of the Contract Documents for record purposes.

PART 2 - PRODUCT - NOT USED

PART 3 - EXECUTION - NOT USED

END OF SECTION

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SECTION 00930
PREVAILING WAGE LEGAL REQUIREMENTS

The Contractor's attention is called to Articles 5159A and 5160 of the Revised Civil statutes of Texas which Statutes must be complied with. These articles are as follows:

ARTICLE 5159A:

SECTION 1. Not less than the general prevailing rate of per diem wages for work of a similar character in the locality which the work is performed, and not less than the general prevailing rate of per diem wages for legal holiday and overtime work, shall be paid to all laborers, workmen and mechanics employed by or on behalf of any County, City and County, City, Town, District or other political subdivision of the State, engaged in the construction of public works, exclusive of maintenance work. Laborers, workmen and mechanics employed by contractors or subcontractors in the execution of any contract or contracts for public works with the State, or any officer or public body thereof, or in the execution of any contract or contracts for public works, with any County, City and County, City, Town, District or other political subdivision of this State, or any officer or public body thereof, shall be deemed to be employed upon public work.

SECTION 2. The public body awarding any contract for public work on behalf of the State, or on behalf of any County, City and County, City, Town, District or other political subdivision thereof, or otherwise undertaking any public work, shall ascertain the general prevailing rate of per diem wages in the locality in which the work is to be performed for each craft or type of workmen or mechanic needed to execute the contract, and shall specify in the call for bids for said contract, and in the contract itself, what the general prevailing rate of per diem wages in the said locality is for each craft or type of workmen needed to execute the contract, also the prevailing rate for legal holiday and overtime work, and it shall be needed to execute the contract, also the prevailing rate for legal holiday and overtime work, and it shall be mandatory upon the Contractor to whom the contract is awarded, and upon any subcontractor under him, to pay not less than the said specified rates to all laborers, workmen and mechanics employed by them in the execution of the contract. The Contractor shall forfeit as a penalty to the State, County, City and County, City, Town, District or other political subdivision on whose behalf the contract is made or awarded, Ten Dollars (\$10.00) for each laborer, workman or mechanic employed for each calendar day, or portion thereof, such laborer, workman or mechanic is paid less than the stipulated rates for any work done under said contract, by him, or by any subcontractor under him, and the said public body awarding the contract shall cause to be inserted in the contract a stipulation to this effect. It shall be the duty of such public body awarding the contract, and its agents and officers to take cognizance of complaints of all violations of the provisions of this Act committed in the course of the execution of the contract, and when making payments to the contractor of monies becoming due under said contract to withhold and retain therefrom all sums and amounts which shall have been forfeited pursuant to the herein said stipulation and the terms of this Act; provided, however, that no sum shall be so withheld, retained or forfeited, except from the final payment, without a full investigation by the awarding body. It shall be lawful for any contractor to withhold from any subcontractor under him sufficient sums to cover any penalties withheld from him by the awarding body on account of said subcontractor's failure to comply with the terms of this Act, and if payment has already been made to him the contractor may recover from him the amount of the penalty or forfeiture in a suit at law.

SECTION 3. The contractor and each subcontractor shall keep, or cause to be kept, an accurate record showing the names and occupations of all laborers, workmen and mechanics employed by him, in connection with the said public work, and showing the actual per diem wages paid to each of such workers, which record shall be open at all reasonable hours to the inspection of the public body awarding the contract, its officers and agents.

PREVAILING WAGE LEGAL REQUIREMENTS Continued:

SECTION 4. Any construction or repair work done under contract, and paid for in whole or in part out of public funds, other than work done directly by any public utility company pursuant to order of the Railroad Commission or other public authority, whether or not done under public supervision or direction or paid for wholly or in part out of public funds, shall be held to be "public works" within the meaning of political subdivision of this State in which the building, highway, road, excavation, or other structures, project, development or improvement is situated in all cases in which the contract is awarded by the State, or any public body thereof, and shall be held to mean the limits of the County, City and County, City, Town, District or other political subdivision on whose behalf the contract is awarded in all other cases. The term "general prevailing rate of per diem wages" shall be the rate determined upon as such rate by the public body awarding the contract, or authorizing the work, whose decision in the matter shall be final. Nothing in this act, however, shall be construed to prohibit the payment to any laborer, workman or mechanic employed on any public work as aforesaid of more than the said general prevailing rate of wages.

ARTICLE 5160. Bond for Wages:

Any person or persons, firm or corporation, entering into a formal contract with this State or its counties or school districts or other subdivisions thereof or any municipality therein for the construction of any public building, or the prosecution and completion of any public work shall be required, before, commencing such work, to execute the usual Penal Bond, with additional obligation that such contractor shall promptly make payments to all persons supplying him or them with labor and materials in the prosecution of the work provided for in such contract. Any person, company, or corporation who has furnished labor or materials used in the construction or repair or any public building or public work, and payment for which has not been made, shall have the right to intervene and be made a party to any action instituted by the State or any adjudicated in such action and judgment rendered thereon, subject, however, to the priority of the claims and judgment of the State or municipality.

If the full amount of the liability of the surety on said bond is insufficient to pay the full amount of said claims and demands, then, after paying the full amount due to the State or municipality, the remainder shall be distributed pro-rata among said interveners. Provided, further, that all claims for labor and materials furnished to said Contractor, and all claims for labor and material furnished to any contractor shall be itemized and sworn to as required by Statutes as to mechanic's lien claims, and such claims shall be filed with the County Clerk of the County, in which said work is being prosecuted, within ninety days from the date of the delivery of said material and the performance of said work. The County Clerk shall note on the mechanic's lien record, the name of the claimant, the amount claimed, the name of the contractor and the name of the county, School District, other subdivisions, or municipality with which the contract was made; and the County Clerk shall index the claim under the name of the contractor and under the name of the County, School District, other subdivision or municipality; with which the contract was made.

Provided further, that after completion and acceptance of completed project all moneys due contractor under said contract shall be held by the state or its counties or school districts or other subdivision, thereof or an affidavit made by Contractor that all just bills for labor and material under this contract has been paid in full by the Contractor.

Acts 1913, P. 185; Acts 1929, 41st leg., P.4881. Ch. 22 paragraph 1.

PREVAILING WAGE LEGAL REQUIREMENTS Continued:

General Decision Number: TX190003 01/04/2019 TX3

Superseded General Decision Number: TX20180008

State: Texas

Construction Types: Heavy and Highway

Counties: Cameron, Hidalgo and Webb Counties in Texas.

HEAVY & HIGHWAY CONSTRUCTION PROJECTS

Note: Under Executive Order (EO) 13658, an hourly minimum wage of \$10.60 for calendar year 2019 applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2015. If this contract is covered by the EO, the contractor must pay all workers in any classification listed on this wage determination at least \$10.60 per hour (or the applicable wage rate listed on this wage determination, if it is higher) for all hours spent performing on the contract in calendar year 2019. If this contract is covered by the EO and a classification considered necessary for performance of work on the contract does not appear on this wage determination, the contractor must pay workers in that classification at least the wage rate determined through the conformance process set forth in 29 CFR 5.5(a)(1)(ii) (or the EO minimum wage rate, if it is higher than the conformed wage rate). The EO minimum wage rate will be adjusted annually. Please note that this EO applies to the above-mentioned types of contracts entered into by the federal government that are subject to the Davis-Bacon Act itself, but it does not apply to contracts subject only to the Davis-Bacon Related Acts, including those set forth at 29 CFR 5.1(a)(2)-(60). Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Modification Number	Publication Date
0	01/04/2019

* SUTX2011-003 08/02/2011

	Rates	Fringes
CEMENT MASON/CONCRETE FINISHER (Paving & Structures)...	\$ 12.46	
FORM BUILDER/FORM SETTER (Structures).....	\$ 12.30	
FORM SETTER (Paving & Curb).....	\$ 12.16	
LABORER		
Asphalt Raker.....	\$ 10.61	
Flagger.....	\$ 9.10	

PREVAILING WAGE LEGAL REQUIREMENTS Continued:

Laborer, Common.....\$ 9.86
Laborer, Utility.....\$ 11.53
Pipelayer.....\$ 11.87
Work Zone Barricade
Servicer.....\$ 12.88

POWER EQUIPMENT OPERATOR:

Asphalt Distributor.....\$ 13.48
Asphalt Paving Machine.....\$ 12.25
Broom or Sweeper.....\$ 10.33
Crane, Lattice Boom 80
Tons or Less.....\$ 14.39
Crawler Tractor.....\$ 16.63
Excavator, 50,000 lbs or
less.....\$ 12.56
Excavator, over 50,000 lbs..\$ 15.23
Foundation Drill, Truck
Mounted.....\$ 16.86
Front End Loader Operator,
Over 3 CY.....\$ 13.69
Front End Loader, 3 CY or
less.....\$ 13.49
Loader/Backhoe.....\$ 12.77
Mechanic.....\$ 15.47
Milling Machine.....\$ 14.64
Motor Grader Operator,
Rough.....\$ 14.62
Motor Grader, Fine Grade....\$ 16.52
Scraper.....\$ 11.07

Servicer.....\$ 12.34

Steel Worker (Reinforcing).....\$ 14.07

TRUCK DRIVER

Lowboy-Float.....\$ 13.63
Single Axle.....\$ 10.82
Single or Tandem Axle Dump..\$ 14.53
Tandem Axle Tractor with
Semi Trailer.....\$ 12.12

WELDER.....\$ 14.02

WELDERS - Receive rate prescribed for craft performing operation to which
welding is incidental.

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Note: Executive Order (EO) 13706, Establishing Paid Sick Leave for Federal Contractors applies to all contracts subject to the Davis-Bacon Act for which the contract is awarded (and any solicitation was issued) on or after January 1, 2017. If this contract is covered by the EO, the contractor must provide employees with 1 hour of paid sick leave for every 30 hours they work, up to 56 hours of paid sick leave each year.

Employees must be permitted to use paid sick leave for their own illness, injury or other health-related needs, including preventive care; to assist a family member (or person who is like family to the employee) who is ill, injured, or has other health-related needs, including preventive care; or for reasons resulting from, or to assist a family member (or person who is like family to the employee) who is a victim of, domestic violence, sexual assault, or stalking. Additional information on contractor requirements and worker protections under the EO is available at www.dol.gov/whd/govcontracts.

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

The body of each wage determination lists the classification and wage rates that have been found to be prevailing for the cited type(s) of construction in the area covered by the wage determination. The classifications are listed in alphabetical order of "identifiers" that indicate whether the particular rate is a union rate (current union negotiated rate for local), a survey rate (weighted average rate) or a union average rate (weighted union average rate).

Union Rate Identifiers

A four letter classification abbreviation identifier enclosed in dotted lines beginning with characters other than "SU" or "UAVG" denotes that the union classification and rate were prevailing for that classification in the survey. Example: PLUM0198-005 07/01/2014. PLUM is an abbreviation identifier of the union which prevailed in the survey for this classification, which in this example would be Plumbers. 0198 indicates the local union number or district council number where applicable, i.e., Plumbers Local 0198. The next number, 005 in the example, is an internal number used in processing the wage determination. 07/01/2014 is the effective date of the most current negotiated rate, which in this example is July 1, 2014.

Union prevailing wage rates are updated to reflect all rate changes in the collective bargaining agreement (CBA) governing this classification and rate.

Survey Rate Identifiers

Classifications listed under the "SU" identifier indicate that no one rate prevailed for this classification in the survey and the published rate is derived by computing a weighted average rate based on all the rates reported in the survey for that classification. As this weighted average rate includes all rates reported in the survey, it may include both union and non-union rates. Example: SULA2012-007 5/13/2014. SU indicates

PREVAILING WAGE LEGAL REQUIREMENTS Continued:

the rates are survey rates based on a weighted average calculation of rates and are not majority rates. LA indicates the State of Louisiana. 2012 is the year of survey on which these classifications and rates are based. The next number, 007 in the example, is an internal number used in producing the wage determination. 5/13/2014 indicates the survey completion date for the classifications and rates under that identifier.

Survey wage rates are not updated and remain in effect until a new survey is conducted.

Union Average Rate Identifiers

Classification(s) listed under the UAVG identifier indicate that no single majority rate prevailed for those classifications; however, 100% of the data reported for the classifications was union data. EXAMPLE: UAVG-OH-0010 08/29/2014. UAVG indicates that the rate is a weighted union average rate. OH indicates the state. The next number, 0010 in the example, is an internal number used in producing the wage determination. 08/29/2014 indicates the survey completion date for the classifications and rates under that identifier.

A UAVG rate will be updated once a year, usually in January of each year, to reflect a weighted average of the current negotiated/CBA rate of the union locals from which the rate is based.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

- * an existing published wage determination
- * a survey underlying a wage determination
- * a Wage and Hour Division letter setting forth a position on a wage determination matter
- * a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division

PREVAILING WAGE LEGAL REQUIREMENTS Continued:

U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

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END OF GENERAL DECISION

END OF SECTION

TECHNICAL SPECIFICATIONS

SPECIAL PROVISIONS

1. The City of Pharr reserves the right to remove any items within the proposal in order to meet the budget.
2. It shall be the Contractor's responsibility to locate underground utilities, whether shown or not shown on the drawings, sufficiently in advance of operations to preclude damage to same.
3. Water, sewer, or other utility services shall not be interrupted. Any damages to existing utilities will be Contractor's responsibility.
4. In the event of damage to underground facilities, whether shown or not shown in the drawings, the Contractor shall make the necessary repairs to place the facilities back in service at no increase in the Contractor's price and all such repairs shall conform to the requirements of the company or agency servicing the facility.
5. The Contractor shall exercise extra care to prevent damage to all other structures in the area including buildings, fence, roads, pipelines, utilities, etc., whether publicly or privately owned.
6. Until acceptance by the Engineer of any part or all of the construction, as provided for in the plans and these specifications, it shall be under the charge and care of the contractor, and he shall take every necessary precaution against injury or damage to any part of the work. The Contractor shall rebuild, repair, restore and make good, at his own expense, all injuries or damage to any portion of the work before its completion and acceptance.
7. In case the Contractor deems extra compensation is due him for proposed work not covered in the contract, the Contractor shall notify the Engineer in writing of his claim for such extra compensation before he begins the work. Failure on the part of the Contractor to give such notification shall constitute a waiver of claim for such extra compensation. The Contractor shall not proceed until a written Change Order is approved by the Owner, Engineer, and Contractor.

8. Upon failure of the Contractor to satisfactorily repair or to remove and replace) rejected work or materials immediately after receiving formal notice from the Engineer, the Owner may recover for such defective work or materials on the Contractor's bond, or by action a court having proper jurisdiction over such matters, or may employ labor and equipment and satisfactorily repair or remove and replace such work and charge the cost of the same to the Contractor, which cost will be deducted from any money due him from this contract.
9. Prospective bidders should make a careful examination of the project site.
10. Contractor shall review his overall method and schedule of construction with the City Prior to construction for proper coordination of inspection.
11. Contractor shall repair any utility lines or other existing improvements within the project site damaged during construction.
12. No open trenches or excavation shall be left open overnight.
13. Any manhole or water valve adjustments required during construction shall be considered incidental to price bid for concrete paving.
14. The Contractor shall be responsible for all grading necessary for installation of curb and gutter incidental to price bid for Proof Rolling of caliche.
15. Contractor shall be responsible for providing any and all construction signage and barricading required during construction incidental to price bid for concrete paving.
16. The Contractor shall coordinate all work for the project site with Mr. Rick Pedraza, P.E., Public Works Director for the City of Pharr (956-402-4350) and Mr. Omar Anzaldua, P.E., City Engineer (956-540-9122) prior to start of construction in order to provide for inspection of the project.
17. Contractor to insure the safety of the public by providing proper barricading through all construction areas.

18. The striping improvements shall conform with TxDOT Item 666 Type II marking materials – traffic paint (thermoplastic).
19. The Contractor shall be responsible for all erosion control methods for the project including all protection measures necessary for existing drainage structures.

SECTION 01005
PROJECT PROCEDURAL DEFINITIONS AND TERMINOLOGY

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. This section defines and explains certain terms in order to minimize potential misunderstandings between the Owner, the Owner's designated representative, Contractor, and Engineer.

1.02 TERMS, DEFINITIONS, AND EXPLANATIONS

- A. Drawing/Plan Clarification: An answer from the Owner's designated representative or Engineer, in response to an inquiry from the Contractor, intended to make some requirement(s) of the Drawings or Plans clearly understood. Drawing/Plan clarifications may be sketches, drawings, or in narrative form and will not change any requirements of the Drawings or Plans. Responses to Contractor inquiries shall be outlined in Section 01151.
- B. Notice of Defects: A notice issued by the Engineer documenting that the work or some portion thereof has not been performed in accordance with the requirements of the Contract Documents. Payment shall not be made on any portion of the work for which a Notice of Defect has been issued and the work not corrected to the satisfaction of the Engineer. Upon receipt of a Notice of Defect, the Contractor shall provide a written Response to Notice of Defect within ten (10) working days after receipt of the Notice. The Contractor's response shall be in accordance with the Conditions of the Contract.
 - 1. If the Contractor disputes issuance of the Notice of Defect, the Owner's designated representative has ten (10) working days in which to respond by either:
 - a. withdrawing the Notice of Defect, or
 - b. directing the Contractor to correct the work. Such determination by the Owner's designated representative shall be final and conclusive of the matter.
 - 2. If directed to correct the work, the Contractor shall do so within ten (10) working days after receipt of such direction from the Resident Project Representative, or such other time as may be agreed to with the Resident Project Representative.
- C. Project Communications: Routine written communications between the Owner, Engineer, and the Contractor shall be in letter or field memo format. Such communications shall not be identified as Requests for Information or Request for Technical Instructions nor shall they substitute for any other written requirement pursuant to the provisions of these Contract Documents.

- D. Request for Information/Request for Technical Instructions: A request from the Contractor, to the Resident Project Representative or Engineer, seeking an interpretation or a clarification of some requirement of the Contract Documents. The Contractor shall clearly and concisely set forth the issue for which it seeks clarification or interpretation and why a response is needed from the Resident Project Representative or Engineer. The Contractor shall, in the written request, set forth its interpretation or understanding of the Contract's requirements along with reasons why it has reached such an understanding. Responses from the Resident Project Representative or Engineer will not change any requirements of the Contract Documents.
1. Responses to Contractor inquiries shall be as outlined in Section 01151.
- E. Substitution/Or-Equal Submittals: A written request from the Contractor to substitute a material, article, device, product, fixture, form, type of construction, or process called for in the Contract Documents with another item that shall be substantially equal in all respects to that so indicated or supplied.
- F. Schedule Submittals: When required, the Contractor shall submit schedules, schedule updates, schedule revisions, time impact analysis, etc., for review and acceptance.
- G. "Certified" used in context with materials and equipment means the material and equipment has been tested and found by a nationally recognized testing laboratory to meet specification requirements, or nationally recognized standards if requirements are not specified, and is safe for use in the specified manner. A nationally recognized testing laboratory must periodically inspect production of the equipment and the equipment must bear a label, tag, or other record of certification.
- H. "Certified" used in context with labor performance or ability to install materials and equipment means that the abilities of the proposed installer have been tested by a representative of the specified testing agency authorized to issue certificates of competency and has met the prescribed standards for certification.
- I. "Certified" used in context with test reports, payment requests or other statements of fact means that the statements made on the document are a true statement as attested to by the certifying entity.
- J. "Engineer" shall mean the City of Pharr Engineering Department, City Engineer or their designated representative.
- K. "Furnish" means to supply, deliver and unload materials and equipment at the project site ready to install.
- L. "Indicated" means graphic representations, notes, or schedules on drawings, or other requirements in Contract Documents. Words such as "shown", "noted", "scheduled", are used to help locate the reference. No limitation on the location is intended unless specifically noted.
- M. "Install" means the operations at the project site including unpacking, assembly, erection, placing, anchoring, applying, working to dimension, finishing, curing, protecting, cleaning, training and similar operations required to prepare the materials and equipment for use, verify conformance with Contract Documents and prepare for acceptance and operation by the Owner.

- N. “Installer” means an entity engaged by Contractor, either as an employee, subcontractor, or sub-subcontractor to install materials and/or equipment. Installers are to have successfully completed a minimum of five projects similar in size and scope to this project, have a minimum of five years of experience in the installation of similar materials and equipment, and comply with the requirements of the authority having jurisdiction.
- O. “Labeled” means equipment that embodies a valid label, symbol, or other identifying mark of a nationally recognized testing laboratory such as Underwriters Laboratories, Inc. and production is periodically inspected in accordance with nationally recognized standards or tests to determine safe use in a specified manner.
- P. “Listed” means equipment is included in a list published by a nationally recognized laboratory which makes periodic inspection of production of such equipment and states that such equipment meets nationally recognized standards or has been tested and found safe for use in a specified manner.
- Q. “Manufacturer” means an entity engaged by Contractor, as a subcontractor, or sub-subcontractor to furnish materials and/or equipment. Manufacturers are to have a minimum of five years experience in the manufacture of materials and equipment similar in size, capacity and scope to the specified materials and equipment.
- R. “Perform” means to complete the operations necessary to comply with the Contract Documents.
- S. “Owner” means the City of Pharr.
- T. “Project site” means the space available to perform the work, either exclusively or in conjunction with others performing construction at the project site.
- U. “Provide” means to furnish and install materials and equipment.
- V. “Regulations” means laws, statutes, ordinances, and lawful orders issued by authorities having jurisdiction, as well as, rules, conventions, and agreements within the construction industry that control performance of work, whether they are lawfully imposed by authorities having jurisdiction or not.
- W. “Specified” means written representations in the bid documents or the technical specifications.

1.03 SPECIFICATION SENTENCE STRUCTURE

- A. Specifications are written in modified brief style. Requirements apply to all work of the same kind, class, and type even though the word “all” is not stated.
- B. Simple imperative sentence structure is used which places a verb as the first word in the sentence. It is understood that the words “furnish”, “install”, “provide”, or similar words include the meaning of the phrase “The Contractor shall.” before these words.
- C. It is understood that the words “directed”, “designated”, “requested”, “authorized”, “approved”, “selected”, or similar words include the meaning of the phrase “by the Engineer” after these words unless otherwise stated. Use of these words does not extend the Engineers responsibility for construction supervision or responsibilities beyond those defined in the General Conditions.

- D. “At no additional cost to Owner”, “with no extra compensation to Contractor”, “At Contractor’s own expense”, or similar words mean that the Contractor will perform or provide specified operation of work without any increase in the Contract Amount. It is understood that the cost for performing all work is included in the amount bid and will be performed at no additional cost to the Owner unless specifically stated otherwise.

1.04 DOCUMENT ORGANIZATION

- A. Organization of Contract Documents is not intended to control or to lessen the responsibility of the Contractor when dividing work among subcontractors, or to establish the extent of work to be performed by any trade, subcontractor or vendor. Specification or details do not need to be indicated or specified in each specification or drawing. Items shown in the contract documents are applicable regardless of location in the Contract Documents.
- B. Standard paragraph titles and other identifications of subject matter in the specifications are intended to aid in locating and recognizing various requirements of the specifications. Titles do not define, limit, or otherwise restrict specification text.
- C. Capitalizing words in the text does not mean that these words convey special or unique meanings or have precedence over other parts of the Contract Documents. Specification text governs over titling and it is understood that the specification is to be interpreted as a whole.
- D. Drawings and specifications do not indicate or describe all of the work required to complete the project. Additional details required for the correct installation of selected products are to be provided by the Contractor and coordinated with the Engineer. Provide any work, materials or equipment required for a complete and functional system even if they are not detailed or specified.

1.05 INTERPRETATIONS OF DOCUMENTS

- A. Comply with the most stringent requirements where compliance with two (2) or more standards is specified, and they establish different or conflicting requirements for minimum quantities or quality levels, unless Contract Documents indicate otherwise.
 - 1. Quantity or quality level shown or indicated shall be minimum to be provided or performed in every instance.
 - 2. Actual installation may comply exactly with minimum quality indicated, or it may exceed that minimum within reasonable limits.
 - 3. In complying with these requirements, indicated numeric values are minimum or maximum values, as noted, or appropriate for context of requirements.
 - 4. Refer instances of uncertainty to the Engineer for a decision before proceeding.
- B. Provide materials and equipment comparable in quality to similar materials and equipment incorporated in the project or as required to meet the minimum requirements of the application if the materials and equipment are shown in the drawings but are not included in the specifications.

1.06 REFERENCE STANDARDS

- A. Comply with applicable construction industry standards as if bound or copied directly into the Contract Documents regardless of lack of reference in the Contract Documents. Apply provisions of the Contract, Documents where Contract Documents include more stringent requirements than the referenced standards.
 - 1. Standards referenced directly in the Contract Documents take precedence over standards that are not referenced but recognized in the construction industry as applicable.
 - 2. Comply with standards not referenced but recognized in the construction industry as applicable for performance of the work except as otherwise limited by the Contract Documents. The Engineer determines whether code or standard is applicable, or which of several are applicable.
- B. Consider a referenced standard to be the latest edition with supplements or amendments when a standard is referred to in an individual specification section but is not listed by title and date.
- C. Trade association names and title of general standards are frequently abbreviated. Acronyms or abbreviations used in the Contract Documents mean the recognized name of trade association, standards generating organization, authority having jurisdiction, or other entity applicable in the context of the Contract Documents.
- D. Make copies of reference standards available as requested by Engineer or Owner.

1.07 SUBSTITUTIONS AND EQUAL PRODUCTS

- A. Provide materials and equipment manufactured by the entities specifically listed in each technical specification section. Submit a Contractors Modification Request per Section 01330, SUBMITTAL PROCEDURES for substitution of materials and equipment of manufacturers not specifically listed or for materials and equipment that does not strictly comply with the Contract Documents. Contractor may provide “equal” products manufactured by manufacturers other than those specifically listed in the technical specification section unless it is specifically stated that only the materials and equipment of the specified manufacturers shall be provided. Provide a request for approval of proposed equals per Section 01330 SUBMITTAL PROCEDURES for any materials or equipment not specifically listed. Submit a Contractors Modification Request for substitution of materials and equipment of other manufacturers or for materials and equipment that does not strictly comply with the Contract Documents. A Field Order or Change Order will be issued if the contract modification is approved.

PART 2 - PRODUCTS – NOT USED

PART 3 - EXECUTION NOT USED

END OF SECTION

SECTION 01040
PROJECT ADMINISTRATION

PART 1 - PART 1- GENERAL

1.01 WORK INCLUDED

- A. Administer contract requirements to construct the project. Provide documentation per the requirements of this Section. Provide information as requested by the Engineer/Architect or Owner concerning this project.

1.02 SUBMITTALS

- A. Submittals shall be in accordance with Section 01330, SUBMITTAL PROCEDURES.

1.03 COMMUNICATION DURING THE PROJECT

- A. The Engineer is to be the first point of contact for all parties on matters concerning this project.
- B. The Engineer will coordinate correspondence concerning:
 - 1. Submittals, including requests for payment
 - 2. Clarification and interpretation of the Contract Documents
 - 3. Contract modifications
 - 4. Observation of work and testing
 - 5. Claims
- C. The Engineer will normally communicate only with the Contractor. Any required communication with suppliers or subcontractors shall only be with the direct involvement of the Contractor.
- D. Written communications are to be directed to the Engineer at the address indicated in the Pre-construction Conference. Communications should include as a minimum:
 - 1. Name of the Owner
 - 2. Project name
 - 3. Contract title
 - 4. Project number
 - 5. Date
 - 6. A reference statement
- E. Submit communications on the forms referenced in this Section or in Section 01300. SUBMITTALS.

1.04 PROJECT MEETINGS

- A. Pre-construction Conference
 - 1. Attend a pre-construction meeting.
 - 2. The location of the conference will be determined by the Owner.

3. The time of the meeting will be determined by the Owner but will be after the Notice of Award is issued and not later than fifteen (15) days after the Notice to Proceed is issued or can be issued at the Pre-Construction Conference.
4. Meeting will be attended by the Owner, Engineer and the Contractors project manager and superintendent. Meeting may be attended by representative of utility companies and representatives from major subcontractors and suppliers.
5. Contractor should provide and be prepared to discuss:
 - a. Preliminary construction schedule per Section 01310, PROJECT CONTROL SCHEDULE
 - b. Preliminary Submittal Schedule.
 - c. Schedule of values and anticipated schedule of payments.
 - d. List of Suppliers and Subcontractors.
 - e. Contractor's organizational chart as it relates to this project.
 - f. Letter indicating the agents of authority for the Contractor and the limit of that authority with respect to the execution of legal documents.

B. Periodical Progress Meetings

1. 1. Attend meetings with the Engineer and Owner.
 - a. Meet on a Monthly basis or as requested by the Engineer to discuss the project.
 - b. Meet at the project site or other location as designated by the Engineer.
 - c. Contractors superintendent and other key personnel are to attend the meeting. Other individuals may be requested to attend to discuss specific matters.
2. Provide information as requested by the Engineer or Owner concerning this project.
 - a. Prepare to discuss:
 - 1) Status of overall project schedule.
 - 2) Contractors detailed schedule for the next month.
 - 3) Anticipated delivery dates for equipment.
 - 4) Coordination with the Owner.
 - 5) Status of submittals.
 - 6) Information or clarification of the Contract Documents.
 - 7) Claims and proposed modifications to the contract.
 - 8) Field observations, problems, or conflicts.
 - 9) Maintenance of quality standards.
 - b. Notify the Engineer of any specific items to be discussed a minimum of one (1) week prior to the meeting.
3. Review minutes of meetings and notify the Engineer of any discrepancies within ten (10) days of the date of the memorandum.
 - a. Following that date, the minutes will stand as shown or as corrected.
 - b. Corrections will be reflected in the minutes of the following meeting.
 - c. Each item of business shall be numbered to indicate the meeting number and the item number. Items discussed will be documented and old business items will remain on minutes of subsequent meetings until the item is resolved.

1.05 REQUESTS FOR INFORMATION

- A. Submit Request for Information (RFI) to the Engineer to obtain additional information or clarification of the Contract Documents.
 - 1. Submit a separate RFI for each item.
 - 2. Attach adequate information to permit a written response without further clarification. Engineer will return requests which do not have adequate information for additional information.
 - 3. A response will be made when adequate information is provided. Response will be made on the RFI form or in attached information.
 - 4. Assign a number to the RFI and sequence number in chronological order.
- B. If the RFI indicates that a contract modification is required, the Engineer will initiate a Proposed Contract Modification (PCM) per Section 1.07.

1.06 NOTIFICATION BY CONTRACTOR

- A. Notify the Engineer of:
 - 1. Need for testing.
 - 2. Intent to work outside regular working hours.
 - 3. Request to shut down facilities or utilities.
 - 4. Proposed utility connections.
 - 5. Required observation by Owner or inspection agencies prior to covering work.
- B. Notification must be provided in time for Owner and Engineer to respond appropriately to the notification.
- C. Use "Notification By Contractor" form. Form can be requested from Owner or Engineer.

1.07 REQUESTS FOR MODIFICATIONS

- A. Submit a request to the Engineer for any change in the Contract Documents or approval of any deviations from the Contract Documents.
 - 1. Use the "Contractors Modification Request" (CMR) form. Contractor's own form can also be submitted pending completeness of required information.
 - a. Assign a number to the CMR when issued and sequence number in chronological order.
 - b. Include with the CMR:
 - 1) A complete description of the proposed modification.
 - 2) The reason the modification is requested.
 - 3) A detailed breakdown of the cost of the change (necessary only if the modification requires a change in contract amount). The itemized breakdown is to include:
 - a) list of materials and equipment to be installed,
 - b) man hours for labor by classification,
 - c) equipment used in construction,
 - d) consumable supplies, fuels, and materials,
 - e) royalties and patent fees,
 - f) bonds and insurance,
 - g) overhead and profit,
 - h) field office costs,

- i) home office cost,
 - j) and other items of cost.
 - 4) A revised schedule indicating the effect on the critical path for the project and a statement of the number of days the project may be delayed by the modification.
- 2. A CMR is required for field changes.
 - a. Request must be made a minimum of two (2) weeks in advance of performing the work affected.
 - b. Request for field changes will be submitted to the Engineer.
- 3. A CMR is required for all substitutes or deviations from the Contract Documents.
- 4. Engineer will evaluate the request for a contract modification.
- B. Owner will initiate changes through the Engineer.
 - 1. 1. Engineer will prepare a description of the proposed modifications to the Contract Documents.
 - 2. 2. Engineer will use the "Proposed Contract Modification" form or own form. Engineer will assign a number to the PCM when issued and keep in numerical order throughout project.
 - 3. 3. Return request with a proposal to incorporate the requested change. Include a breakdown of costs into materials and labor in sufficient detail to allow evaluation by the Engineer.
- C. If a contract modification is required, the Engineer will issue a Field Order or a Change Order.
 - 1. 1. Modifications to the contract can only be made by a Field Order or a Change Order.
 - 2. 2. Changes in the project will be documented by Field Order or by a Change Order.
 - 3. 3. Field Orders may be issued by the Engineer for contract modifications that do not change the contract amount or contract time.
 - 4. 4. Any modifications that require a change in contract amount or contract time can only be approved by Change Order.
 - a. CMR's and proposals issued by the Contractor in response to a PCM will be evaluated by the Engineer.
 - b. If change order is recommended, the Engineer will prepare the change order.
 - c. The Change Order will be sent to the Contractor for execution with a copy to the Owner recommending approval.
 - d. Change Orders can only be approved by the Owner.
 - 1) Work performed on the proposed contract modifications prior to the approval of the Change Order will be performed at the Contractor's risk.
 - 2) No payment will be made for work on Change Orders until approved by the Owner.
- D. The Contractor may be informed that the proposed modification is not approved and construction is to proceed in accordance with the Contract Documents.

1.08 EMERGENCY WORK

- A. Notify the Owner and Engineer immediately of any additional work that must be performed to prevent injury or damage to existing structures, facilities, utilities, or work in place.
- B. When possible, obtain authorization from the Owner before proceeding.

1.09 CLAIMS

- A. Do not perform any work which is considered to be outside the scope of the Contract Documents without an approved Change Order.
- B. File notice of claims with the Engineer within 10 days of the event giving rise to the claim.
- C. Provide full documentation within 30 days of the notice.
- D. Items not reported within the stipulated time will not be considered.
 - 1. Failure to notify the Owner of potential claims does not allow the Owner to take alternative action to prevent the Contractor from incurring the cost for the item or to perform the work in a different manner.
 - 2. Failure to notify the Owner does not allow operations to be monitored for the actual cost of performing the work.
- E. When full documentation has been received by the Engineer, the claim will be reviewed in the context of the Contract Documents.
 - 1. If the claim is valid, a Change Order will be prepared and payment of the Change Order will be recommended.
 - 2. If the claim is not valid, then the claim will be denied with an explanation of the reasons.
 - 3. Should the Contractor disagree with the decision of the Engineer, the Contractor may refuse to do the work.
 - a. If the Owner insists that the work be done, proceed with the work on a time and materials basis.
 - b. The validity of the claim will be resolved at a later time in accordance with the Contract Documents.

1.10 RECORD DOCUMENTS

- A. Maintain at the site one (1) complete record copy of:
 - 1. Drawings
 - 2. Specifications
 - 3. Addenda
 - 4. Contract modifications
 - 5. Approved shop drawings and record data
 - 6. One (1) set of construction photographs
 - 7. Test records
 - 8. Clarifications and other information provided in RFI responses.
- B. Marking Drawings
 - 1. Label each document as “Project Record” in large printed letters.
 - 2. Record information as construction is being performed.
 - a. Do not conceal any work until the required information is recorded.
 - b. Mark drawings to record actual construction, including the following:

- 1) Depths of various elements of the foundation in relation to finished first floor datum or the top of walls.
 - 2) Horizontal and vertical locations of underground utilities and appurtenances constructed and existing utilities encountered during construction.
 - 3) Location of internal utilities and appurtenances concealed in the construction. Make reference to permanent structure on the surface. Include the following equipment:
 - a) Piping
 - b) Ductwork
 - c) Equipment and control devices requiring periodic maintenance or repair
 - d) Valves, unions, traps, and tanks
 - e) Services entrance
 - f) Feeders
 - g) Outlets
 - 4) Changes of dimension and detail.
 - 5) Changes made by Field Order and Change Order.
 - 6) Details not on the original Contract Drawings.
- c. Mark specifications and addenda to record materials and the equipment provided.
- 1) Record manufacturer name, trade name, catalog number, and each supplier (with address and phone number) of each product and item of equipment actually installed.
 - 2) Record changes made by Field Order and Change Order.
- d. Mark additional work or information in erasable pencil.
- 1) Use red for new or revised indication.
 - 2) Use purple for work deleted or not installed (lines to be removed).
 - 3) Highlight in yellow the items constructed per the plans.
- e. Submit record documents to Engineer for review and acceptance 30 days prior to final completion of the project.
- 1) Provide one (1) set of marked up drawings.
 - 2) Provide one (1) set of specifications.
- f. Partial Payment Requests will not be recommended for payment if record documents are found to be: incomplete or not in order. Final payment will not be recommended without record documents.

PART 2 - PRODUCTS (NOT USED)

PART 3 - EXECUTION (NOT USED)

END OF SECTION

SECTION 01145
USE OF PREMISES

PART 1 - G E N E R A L

1.01 SECTION INCLUDES

- A. Section includes general use of the site including properties inside and outside of rights-of-way, work affecting road and notification to adjacent occupants.

1.02 BOUNDARIES

- A. Confine access and operations and storage areas to boundaries provided by Owner as stipulated in the Conditions of the Contract; trespassing on abutting lands or other lands in the area is not allowed.
- B. Contractor may make arrangements, at Contractor's cost, for temporary use of private properties, in which case Contractor and Contractor's surety shall indemnify and hold harmless the Owner against claims or demands arising from such use of properties outside of boundaries. Submit notarized copy of agreement between private property owner and Contractor prior to use of the area.

1.03 PROPERTIES OUTSIDE OF BOUNDARIES

- A. Altering the condition of properties adjacent to and along the boundaries will not be permitted.
- B. Means, methods, techniques, sequences, or procedures which will result in damage to properties or improvements in the vicinity outside of boundaries will not be permitted.
- C. Any damage to properties outside of boundaries shall be repaired or replaced to the satisfaction of the Engineer and at no cost to the Owner.

1.04 USE OF SITE

- A. Obtain approvals of governing authorities prior to impeding or closing public roads or streets. Do not close more than two consecutive intersections at one time.
- B. Notify Owner and Engineer at least 48 hours prior to closing a street or a street crossing. Permits for street closures are required in advance and are the responsibility of the Contractor.
- C. Maintain access for emergency vehicles including access to fire hydrants.
- D. Avoid obstructing drainage ditches or inlets; when obstruction is unavoidable due to requirements of the Work, provide grading and temporary drainage structures to maintain unimpeded flow.

- E. Perform daily clean-up of dirt outside the construction zone, and debris, scrap materials, and other disposable items. Keep streets and driveways clean of dirt, debris and scrap materials. Do not leave building, roads, streets or other construction areas unclean overnight.

1.05 PUBLIC, TEMPORARY, AND CONSTRUCTION ROADS AND RAMPS

- A. Construct and maintain temporary detours, ramps, and roads to provide for normal public traffic flow when use of public roads or streets is closed by necessities of the Work.
- B. Provide mats or other means to prevent overloading or damage to existing roadways from tracked equipment or large or heavy trucks or equipment.
- C. Construct and maintain access roads and parking areas.

1.06 SURFACE RESTORATION

- A. Restore existing site to condition before construction to satisfaction of Engineer.
- B. Grade and drain expanded site according to plans and Specifications.

PART 2 - P R O D U C T S – NOT USED

PART 3 - E X E C U T I O N – NOT USED

END OF SECTION

SECTION 01151

REQUESTS FOR INFORMATION / REQUESTS FOR TECHNICAL INSTRUCTIONS (RFI'S/RFTI'S)

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Section includes mandatory procedures and sets forth policies to be followed in requesting technical information or clarification.

1.02 PROCEDURES AND POLICIES

- A. In the event that the Contractor or Subcontractor, at any tier, determines that some portions of the Drawings, Specifications, or other Contract Documents require clarification or interpretation by the Owner or Engineer, the Contractor shall submit a Request for Information or a Request for Technical Instructions in writing to the Resident Project Representative. RFI's/RFTI's may only be submitted by the Contractor. The Contractor shall clearly and concisely set forth the issue for which clarification or interpretation is sought and why a response is needed. In the RFI/RFTI, the Contractor shall set forth an interpretation or understanding of the requirement along with reasons why such an understanding was reached.
- B. The Owner acknowledges that this is a complex project and its successful completion will be a cooperative effort between all parties. The Owner does not intend to limit or restrict communications between any of the parties.
- C. The Resident Project Representative will review all RFI's/RFTI's to determine whether they are Requests for Information or Request for Technical Instructions within the meaning of this term. If the Resident Project Representative determines that the document is not an RFI/RFTI, it will be returned to the Contractor, unreviewed as to content, for resubmittal in the proper manner.
- D. Responses to Requests for Information/Request for Technical Instructions shall be issued within ten (10) working days of receipt of the request from the Contractor unless the Resident Project Representative or Engineer determines that a longer time is necessary to provide an adequate response. If a longer time is determined necessary by the Resident Project Representative or Engineer, they will, within ten (10) working days of the receipt of the request, notify the Contractor of the anticipated response time. If the Contractor submits a Request for Information /Request for Technical Instructions on an activity within ten (10) working days or less of float on the current project schedule, the Contractor shall not be entitled to any time extension due to the time it takes the Resident Project Representative or Engineer to respond to the request provided that the Resident Project Representative or Engineer responds within ten (10) working days set forth above.

- E. Responses from the Resident Project Representative or Engineer will not change any requirement of the Contract Documents. In the event the Contractor believes that a response to a Request for Information / Request for Technical Instructions will cause a change to the requirements of the Contract Document, the Contractor shall immediately give written notice to the Engineer stating that the Contractor considers that the response warrants a Change Order. Failure to give such written notice within ten (10) working days shall waive the Contractor's right to seek additional time or cost under the General Conditions.

PART 2 - PRODUCTS – NOT USED

PART 3 - EXECUTION – NOT USED

END OF SECTION

SECTION 01255
CHANGE ORDER PROCEDURES

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Procedures for processing Change Orders, including:
 - 1. Assignment of a responsible individual for approval and communication of changes in the Work;
 - 2. Documentation of change in Contract Price and Contract Time;
 - 3. Change procedures, using proposals and construction contract modifications, work change directive, stipulated price change order, unit price change order, time and materials change order;
 - 4. Execution of Change Orders;
 - 5. 5. Correlation of Contractor submittals.

1.02 REFERENCES

- A. Rental Rate Blue Book for Construction Equipment (Data Quest Blue Book). Rental Rate is defined as the full, unadjusted base rental rate for the appropriate item of construction equipment.

1.03 RESPONSIBLE INDIVIDUAL

- A. Contractor shall provide a letter indicating the name and address of the individual authorized to execute change documents, and who shall also be responsible for informing others in Contractor's employ and Subcontractors of changes to the Work. The information shall be provided at the Pre-construction Conference.

1.04 DOCUMENTATION OF CHANGE IN CONTRACT PRICE AND CONTRACT TIME

- A. Contractor shall maintain detailed records of changes in the Work. Provide full information required for identification and evaluation of proposed changes, and to substantiate costs of changes in the Work.
- B. Contractor shall document each proposal for a change in cost or time with sufficient data to allow evaluation of the proposal.
- C. Proposals shall include, as a minimum, the following information as applicable:
 - 1. Quantities of items in the original Section A-5 Bid Proposal with additions, reductions, deletions, and substitutions.

2. When Work items were not included in the Section A-5 Bid Proposal, Contractor shall provide unit prices for the new items, with supporting information as required by the Engineer.
 3. Justification for any change in Contract Time.
 4. Additional data upon request.
- D. For changes in the Work performed on a time-and-material basis, the following additional information may be required:
1. Quantities and description of products and equipment.
 2. Taxes, insurance and bonds.
 3. Overhead and profit.
 4. Dates and times work was performed, and by whom.
 5. Time records and certified copies of applicable payrolls.
 6. Invoices and receipts for products, rented equipment, and subcontracts, similarly documented.
- E. For changes in the work performed on a time-and-materials basis, rental equipment will be paid as follows:
1. Rented equipment will be paid by actual invoice cost for the duration of time required to complete the extra work without markup for overhead and profit. If the extra work comprises only a portion of the rental invoice where the equipment would otherwise be on the site, the Contractor shall compute the hourly equipment rate by dividing the actual monthly invoice by 176. (One day equals 8 hours and one week equals 40 hours.)
 2. Operating costs shall not exceed the estimated operating costs given in the Blue Book for the item of equipment. Overhead and profit will be allowed on operating cost.
- F. For changes in the work performed on a time-and-materials basis using Contractor-owned equipment, use Blue Book rates as follows:
1. Contractor-owned equipment will be paid at the Blue Book Rental Rate for the duration of time required to complete the extra work without markup for overhead and profit. The Rental Rate utilized shall be the lowest cost combination of hourly, daily, weekly or monthly rates. Use 150 percent of the Rental Rate for double shifts (one extra shift per day) and 200 percent of the Rental Rate for more than two shifts per day. Standby rates shall be 50 percent of the appropriate Rental Rate shown in the Blue Book. No other rate adjustments shall apply.
 2. Operating costs shall not exceed the estimated operating costs given in the Blue Book for the item of equipment. Overhead and profit will be allowed on operating cost. Operating costs will not be allowed for equipment on standby.

1.05 CHANGE PROCEDURES

- A. Changes to Contract Price or Contract Time can only be made by issuance of a Change Order. Issuance of a Work Change Directive will be formalized into a Change Order. All changes will be in accordance with the requirements of the Contract Document.
- B. The Engineer will advise of minor changes in the Work not involving an adjustment to Contract Price or Contract Time as authorized by the General Conditions by issuing supplemental instructions.
- C. Contractor may request clarification of Drawings, Specifications or Contract Documents or other information by using a Request for Information. Response by the Engineer to a Request for Information does not authorize the Contractor to perform tasks outside the scope of the Work. All changes must be authorized as described in this section.
- D. Change Orders for work not specified in Section A-5 Bid Proposal – shall be accompanied with a Cost and Price Summary plus justification of overhead rate.

1.06 PROPOSALS AND CONTRACT MODIFICATIONS

- A. The Engineer may issue a Request for Proposal, which includes a detailed description of a proposed change with supplementary or revised Drawings and Specifications. The Engineer may also request a proposal in the response to a Request for Information. Contractor shall prepare and submit a proposal within 7 days or as specified in the request.
- B. The Contractor may propose an unsolicited change by submitting a proposal to the Engineer describing the proposed change and its full effect on the Work, with a statement describing the reason for the change and the effect on the Contract Price and Contract Time including full documentation.

1.07 WORK CHANGE DIRECTIVE

- A. Engineer may issue a signed Work Change Directive instructing the Contractor to proceed with a change in the Work. A Work Change Directive will subsequently be incorporated in a Change Order.
- B. The document will describe changes in the Work and will designate a method of determining any change in Contract Price or Contract Time.
- C. Contractor shall proceed promptly to execute the changes in the Work in accordance with the Work Change Directive.

1.08 STIPULATED PRICE CHANGE ORDER

- A. A stipulated price Change Order will be based on an accepted proposal including the Contractor's lump sum price quotation with Schedule of Values.

1.09 UNIT PRICE CHANGE ORDER

- A. Where Unit Prices for the affected items of Work are included in Section A-5 Bid Proposal, the unit price Change Order will be based on the unit prices.
- B. Where unit prices of Work are not pre-determined in the Section A-5 Bid Proposal, the Work Change Directive or accepted proposal will specify the unit prices to be used.

1.10 TIME-AND-MATERIAL CHANGE ORDER

- A. Contractor shall provide an itemized account and supporting data after completion of change.
- B. Engineer will determine the change allowable in Contract Price and Contract Time as provided in Contract Documents.
- C. Contractor shall maintain detailed records of work done on time-and-material basis as specified in Contract Documents.
- D. Contractor shall provide full information required for evaluation of changes and shall substantiate costs for changes in the Work.

1.11 EXECUTION OF CHANGE DOCUMENTATION

- A. Engineer will issue Change Orders, Work Change Directives, or accepted proposal for signatures of parties as described in the Contract Documents.

1.12 CORRELATION OF CONTRACTOR SUBMITTALS

- A. For Stipulated Price Contracts, Contractor shall promptly revise the Schedule of Values and Application for Payment forms to record each authorized Change Order as a separate line item.
- B. For Unit Price Contracts, the next monthly estimate of work after acceptance of a Change Order will be revised to include any new items not previously included and the appropriate unit rates.
- C. Contractor shall promptly revise progress schedules to reflect any change in Contract Time, and shall revise schedules to adjust time for other items of work affected by the change, and resubmit for review.
- D. Contractor shall promptly enter changes to the on-site and record copies of the Drawings, Specifications or Contract Documents as required in Section 01785 - Project Record Documents.

PART 2 - PRODUCTS - NOT USED

PART 3 - EXECUTION - NOT USED

END OF SECTION

SECTION 01270
MEASUREMENT AND PAYMENT

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Procedures for measurement and payment plus conditions for nonconformance assessment and nonpayment for rejected products.

1.02 AUTHORITY

- A. Measurement methods delineated in Specification sections are intended to complement the criteria of this section. In the event of conflict, the requirements of the Specification section shall govern.
- B. Resident Project Representative will take all measurements and compute quantities accordingly.
- C. Contractor shall assist by providing necessary equipment, workers, and survey personnel as required by Resident Project Representative.

1.03 UNIT QUANTITIES SPECIFIED

- A. Quantity and measurement estimates stated in the Agreement are for contract purposes only.
- B. Quantities and measurements supplied or placed in the Work and verified by Resident Project Representative shall determine payment as stated in the Contract Documents.
- C. If the actual Work requires greater or lesser quantities than those quantities indicated in the Bid Form, provide the required quantities at the unit prices contracted, except as otherwise stated in the Contract Documents.

1.04 MEASUREMENT OF QUANTITIES

- A. Measurement by Weight:
 - 1. Reinforcing steel, rolled or formed steel or other metal shapes will be measured by CRSI or AISC Manual of Steel Construction weights. Welded assemblies will be measured by CRSI or AISC Manual of Steel Construction or scale weights.
 - 2. Transport materials measured for payment by weight or truck measure in approved hauling vehicles. Furnish certified measurements, tare weights, and legal gross weight calculations for all haul units. Affix a permanent, legible number on the truck and on the trailer to correspond with the certified information. Furnish certified weights of loaded haul units transporting material if requested.

3. The material will be measured at the point of delivery. The cost of supplying these volume and weight capacities is subsidiary to the pertinent Item

B. Measurement by Volume:

1. Stockpiles: Measured by cubic dimension using mean length, width, and height or thickness.
2. Excavation and Embankment Materials: Measured by cubic dimension using the average end area method.

C. Measurement by Area: Measured by square dimension using mean length and width or radius.

D. Linear Measurement: Measured by linear dimension, at the item centerline.

E. Stipulated Price Measurement: By unit designated in the agreement.

F. Other: (Including but not limited to, each and lump sum). Items measured by weight, volume, area, or lineal means or combination, as appropriate, as a completed item or unit of the Work.

1.05 PLANS QUANTITY MEASUREMENT

A. Plans quantities may or may not represent the exact quantity of work performed or material moved, handled, or placed during the execution of the Contract. The estimated bid quantities are designated as final payment quantities, unless revised by the governing specifications or this Article.

B. If the quantity measured as outlined under “Measurement” varies by more than 5% (or as stipulated under “Measurement” for specific Items) from the total estimated quantity for an individual Item originally shown in the Contract, an adjustment may be made to the quantity of authorized work done for payment purposes.

C. When quantities are revised by a change in design approved by the Department, by change order, or to correct an error on the plans, the plans quantity will be increased or decreased by the amount involved in the change, and the 5% variance will apply to the new plans quantity.

D. If the total Contract quantity multiplied by the unit bid price for an individual Item is less than \$250 and the Item is not originally a plans quantity Item, then the Item may be paid as a plans quantity Item if the Engineer and Contractor agree in writing to fix the final quantity as a plans quantity.

E. For Contracts with callout work and work orders, plans quantity measurement requirements are not applicable.

1.06 PAYMENT

A. Payment Includes: Full compensation for all required supervision, labor, products, tools, equipment, plant, transportation, services, and incidentals; and erection, application or installation of an item of the Work; and Contractor's overhead and profit.

- B. Total compensation for required Unit Price Work shall be included in Unit Price bid in Section 00300 Bid Proposal Form
- C. Interim payments for stored materials will be made only for materials to be incorporated under items covered in unit prices, unless disallowed in Supplementary Conditions.
- D. Progress payments will be based on the Resident Project Representative's observations and evaluations of quantities incorporated in the Work multiplied by the unit price.
- E. Final payment for Work governed by unit prices will be made on the basis of the actual measurements and quantities determined by Engineer multiplied by the unit price for Work which is incorporated in or made necessary by the Work.

1.07 NONPAYMENT FOR REJECTED PRODUCTS

- A. Payment will not be made for any of the following:
 - 1. Products wasted or disposed of in a manner that is not acceptable to Resident Project Representative.
 - 2. Products determined as nonconforming before or after placement.
 - 3. Products not completely unloaded from transporting vehicle.
 - 4. Products placed beyond the lines and levels of the required Work.
 - 5. Products remaining on hand after completion of the Work, unless specified otherwise.
 - 6. Loading, hauling, and disposing of rejected products.

PART 2 - PRODUCTS - NOT USED

PART 3 - EXECUTION - NOT USED

END OF SECTION

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SECTION 01292

SCHEDULE OF VALUES

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Preparation and submittal of a Schedule of Values for stipulated price contracts or for major lump sum items on unit price contracts for which the Contractor requests progress payments.

1.02 DEFINITION

- A. The Schedule of Values is an itemized list that establishes the value of each part of the Work for a stipulated price contract and for major lump sum items in a unit price contract. The Schedule of Values is used as the basis for preparing applications for payments. Quantities and unit prices may be included in the schedule when designated by the Engineer.

1.03 PREPARATION

- A. For stipulated price contracts, subdivide the Schedule of Values into logical portions of the Work, such as major work items or work in contiguous geographic areas. Use Section 01325- Construction Schedule to guide the subdivision of work items. The items in the Schedule of Values will correlate directly with the tasks enumerated in the Construction Schedule. Then organize each portion using the Table of Contents of this Project Manual as an outline for listing the value of work by Sections. A pro rata share of mobilization, bonds, and insurance may be listed as separate items for each portion of the work.
- B. For unit price contracts, items should include a proportional share of Contractor's overhead and profit so that the total of all items will equal the Contract Price.
- C. For lump sum equipment items where submittal of operation/maintenance data and testing are required, include a separate item for equipment operation and maintenance data submittal valued at 5 percent of the lump sum amount for each equipment item and a separate item for testing and adjusting valued at 5 percent of the lump sum amount for each equipment item.
- D. Round off figures for each listed item to the nearest \$100.00 except for the value of one item, if necessary, to make the total of all items in the Schedule of Values equal the Contract Price for stipulated price contracts or the lump sum amount in Section 03000 Bid Proposal Form.
- E. Type the schedule of values on 8-1/2-inch by 11-inch white bond paper.

1.04 SUBMITTAL

- A. Submit within 30 days of Notice to Proceed, or at the pre-construction meeting, whichever occurs sooner.
- B. Revise the Schedule of Values and resubmit for items affected by contract modifications, change orders, and work change directives. After the changes are reviewed without exception by the Engineer, make the submittal at least 10 days prior to submitting the next application for progress payment.

PART 2 - PRODUCTS - NOT USED

PART 3 - EXECUTION - NOT USED

END OF SECTION

SECTION 01310

PROJECT CONTROL SCHEDULE

PART 1 - GENERAL

1.01 SCHEDULE REQUIREMENTS PROGRESS SCHEDULE

- A. The work specified in this section includes planning, scheduling and reporting required by the CONTRACTOR. It is expressly understood and agreed that the time of beginning, the rate of progress, and the time of completion of the work are essential elements of this CONTRACT.
1. The Project Control Schedule (PCS) shall be prepared and maintained by the CONTRACTOR as described in this section.
 2. The PCS shall be the CONTRACTOR'S working schedule and will be used by the CONTRACTOR to plan, organize, and execute the work, record and report actual performance and physical progress, and to show how the CONTRACTOR plans to complete all remaining work as of the beginning of each progress report period (data date).
 3. In addition, the PCS shall provide the OWNER with a tool to monitor and follow the progress of all phases of the work. The PCS shall comply with the various limits imposed by the scope of the work, contractually specified milestones and completion dates included in the contract. The PCS shall be a Critical Path Method (CPM) schedule, utilizing the Precedence Diagramming Method (PDM).
 4. The PCS must clearly show the sequence and interdependence of activities required for complete performance of the work, beginning with the Contract Start Date (CSD) and concluding with the Contract Completion Date (CCD). The maximum duration of any physical work activity shall not exceed twenty (20) working days unless approved by the OWNER.
 5. The CONTRACTOR shall use a scheduling system capable of handling, processing, printing and plotting data to satisfy all requirements of this section. The scheduling system must be capable of producing project reports and other digital (electronic) data that can be directly read and interpreted by the OWNER.

1.02 SUBMITTAL PROCEDURES

- A. The OWNER will schedule and conduct a Preconstruction Conference. At this meeting, the requirements of this section, as they apply to the contract, will be reviewed with the CONTRACTOR. The CONTRACTOR shall be prepared to review and discuss methodology for the schedule and sequence of operations and labor, equipment and material constraints.
- B. .PROJECT CONTROL SCHEDULE (PCS)(PRELIMINARY) - within ten (10) working days after the Preconstruction Conference, the CONTRACTOR shall submit to the OWNER the Preliminary Project Schedule (PPS), which shall be the basis of the PROJECT CONTROL SCHEDULE (BASELINE), and which will be used to schedule early activities of the project. The PPS shall include a detailed plan of operations for the first sixty (60) calendar days from the Contract Start Date.

- C. The PPS shall be a network diagram or bar chart, utilizing the CONTRACTOR'S WORK BREAKDOWN STRUCTURE showing in detail:
1. Notice of Acceptance of Proposal.
 2. Pre-Construction Conference.
 3. Contract start date.
 4. Mobilization.
 5. Submission and approval of key submittals.
 6. Procurement of key materials and equipment.
 7. All activities occurring or starting within the first sixty (60) calendar days.
 8. Milestones and other contractual dates.
 9. Contract completion date.
- D. Submittal and acceptance of the Preliminary Project Schedule is a condition precedent to the issuance of any initial payment.
- E. PROJECT CONTROL SCHEDULE (BASELINE) - within sixty (60) calendar days of the CSD, the CONTRACTOR shall submit, for acceptance by the OWNER, the Project Control Schedule (Baseline). The PCS-Baseline shall represent the CONTRACTOR'S complete plan for the execution of the CONTRACT in accordance with the BID and CONTRACT documents. Although limited technical assistance is available to the CONTRACTOR from the OWNER upon written request and prior to any formal review and/or finalization of the baseline schedule, it is the responsibility of the CONTRACTOR to employ or engage the services of a technically qualified scheduler on this project.
- F. PROJECT CONTROL SCHEDULE (UPDATES) - Once each month, or more often if deemed necessary by the OWNER, the CONTRACTOR shall review and update the PCS to incorporate all current information, including progress, approved adjustments of time and logic, and proposed changes in sequence and logic. All copies of the updated PCS submitted to the OWNER, shall be signed and dated by the CONTRACTOR.
- G. PROJECT CONTROL SCHEDULE (AS-BUILT) - The last PCS update submitted shall be identified as the "As-Built Schedule", and is a condition precedent to issuance of Final Acceptance of the CONTRACT by the OWNER.

1.03 DEFINITIONS

- A. The principles and definitions of the terms used herein shall be as set forth in the Associated General Contractors of America (AGC) publication "The Use of CPM in Construction," copyright 1976. Additional definitions are set forth as follows:
1. Critical Path(s) - shall be defined as the longest path of activities from the Contract Start Date (CSD) to the Contract Completion Date (CCD).
 2. Near Critical Path - shall be defined as those paths of activities having a total float value equal to the total float value of the defined critical path (longest path) plus ten (10) working days.
 3. Activity Codes - are values assigned to schedule activities to organize the Schedule Activities into manageable groups for updating, analyzing, reporting, plotting, and summarizing.

4. WBS - (Work Breakdown Structure) is a definition of project related activity codes, to be used by the CONTRACTOR to organize the CONTRACTOR'S Project Control Schedule in a manner that facilitates the OWNER'S use of the PCS information.
5. Constraint - is a restriction imposed on the start, finish or duration of an activity. Project Control Schedule
6. Data Date - (DD) The date used as the starting point for schedule calculations. For Baselines, the DD is the first day of the project, the CSD date. For subsequent schedule updates, the DD is the first workday of the remainder of the schedule, normally the first calendar day after the schedule close-out date (usually month end).
7. Total Float - is the amount of time that the start or finish of an activity can be delayed without impacting the Contract Completion Date. Total float is a CALCULATED value.
8. Free Float - is the amount of time that the start or finish of an activity can be delayed without impacting the early start or finish of a successor activity. Free float is a CALCULATED value.
9. Lag - is an offset or delay from an activity to its' successor, or from its' predecessor. Lag is physically defined by the scheduler. Lag is NOT CALCULATED.
10. Open End - is an activity that has either no predecessor or no successor relationships.
11. Out of Sequence Progress - means that all or a portion of an activity has been completed before the predecessors to the activity are complete.
12. Percent Complete - the portion of an activity that is complete based on physical measurement of the scope of work included in the activity that has been completed by the CONTRACTOR and accepted by the OWNER.
13. Target (Baseline) - a different version of the project schedule that can be compared to as the basis for measuring differences between the versions of the project schedule.

1.04 PROJECT CONTROL SCHEDULE (BASELINE)

- A. The CONTRACTOR shall be responsible for assuring that all work sequences are logical and the network shows a coordinated plan for the complete performance of the CONTRACT. Failure of the CONTRACTOR to include any element of the work required for the performance of the CONTRACT in the network shall not relieve the CONTRACTOR from completing all work within the time specified for the completion of the CONTRACT. In the event the CONTRACTOR fails to define any element of the work in the network, when the omission or error is discovered by either the CONTRACTOR or OWNER, it shall be corrected by the CONTRACTOR at the next scheduled update or submittal.
- B. The PCS Baseline shall be organized to clearly define separate groups of activities detailing:
 1. key submittals,
 2. procurement of major materials and equipment,

3. delivery of OWNER furnished materials and equipment,
 4. approvals required by regulatory agencies or other third parties,
 5. plans for all major subcontract work,
 6. access to and availability of all work areas,
 7. identification of interfaces and dependencies with preceding, concurrent, and follow-on contractors,
 8. tests and inspections,
 9. identification of any manpower, material or equipment restrictions.
- C. Relationships shall be defined between the CONTRACTOR'S activities based on the following criteria.
1. PHYSICAL - relationships occur when a successor activity cannot physically start (or finish) until a predecessor activity completes (or starts). example: forming before pouring
 2. SAFETY - defined relationships exist when a successor activity cannot start until a predecessor activity (which may be creating a safety hazard for the successor activity), completes allowing for the start of the successor in a safe environment. example: completing overhead work before starting work underneath
 3. RESOURCE - driven relationships occur when a successor activity cannot start until a predecessor activity completes and releases its' resources to work on the successor. example: form slab # 1 before forming slab # 2 when allocating one crew to a job
 4. PREFERENTIAL - logic occurs when a contractor prefers to perform the work in a given sequence. example: completing painting before starting finished flooring
 5. NOTE: The basis of Safety, Resource and Preferential logic requirements for all critical or near critical activities shall be documented in the Baseline Schedule Narrative or as requested by the OWNER.
- D. The basis of constraints and lags utilized in the PCS-BASELINE and subsequent UPDATES must be documented in an accompanying schedule narrative.
- E. The CONTRACTOR shall not utilize float suppression techniques or artificial restraints, constraints, lags or durations to lessen or control the amount of total or free float contained in the network.
- F. Float shall not be considered as time for the exclusive use of or benefit of either the OWNER or the CONTRACTOR. Float shall be considered as a resource available to both parties for the benefit of the project.
- G. Early Completion - An early completion schedule is one which anticipates completion of the work ahead of the corresponding Contract Time. Since Total Float is measured to the Contract Completion Date (CCD), and belongs to the Project, the CONTRACTOR shall not be entitled to any extension in Contract Time, or recovery for any delay incurred because of extensions in an early completion date, until all total float is used or consumed and performance or completion of the WORK extends beyond the corresponding Contract Time.
- H. Project Schedule Reports shall be submitted to the OWNER as follows:

1. Graphics - 11" x 17" (Tabloid)
 - a. Time Scaled Logic Diagram based on early dates, organized by OWNERWBS Codes with the longest (critical) path printed in red. (Attachment A.)
 - b. Bar chart, organized by CONTRACTOR-WBS, indicating early and late date bars with critical path printed in red.
2. Graphics – 8½" x 11" (A size)
 - a. Detailed Bar Chart, Grouped by CONTRACTOR-WBS
 - b. Estimated Cash Flow Histogram (if cost loaded) with planned value per period (bar) and cumulative to date (curve).
3. Tabular Reports – 8½" x 11" (A size)
 - a. Predecessor / Successor listing including relationship type and lag value, organized by Activity ID.
 - b. Tabular activity listing, sorted by Activity ID, with Early and Late Dates, Total and Free Float values.
 - c. Tabular activity listing, Grouped by Responsible party, sorted by Early Start, with Early Dates, Total and Free Float values.
 - d. Listing of all schedule constraints and open ends with explanation of each.
 - e. Identification of all lags contained in relationships and explanation of each.
 - f. Narrative report explaining the key "basis and assumptions" of the Project Control Schedule Baseline schedule.
 - g. Submittal / Procurement Status Report - A P3 Activity Matrix Report detailing for each submittal item, the Planned Dates for each step in the submittal/ procurement process.
 - h. Bid Item Listing.
- I. Submittal
 1. Six (6) sets of all graphics
 2. Six (6) sets of all tabular reports
- J. Acceptance
 1. The OWNER may accept the PCS-Baseline submittal and subsequent updates as having been submitted in accordance with the Contract Specifications. The OWNER will review and make comments on the PCS. Meetings may be held between the OWNER and the CONTRACTOR, and all SUBCONTRACTORS and SUPPLIERS whom the CONTRACTOR may desire to invite or whom the OWNER may request be present.
 2. The PCS submittal must meet in all respects the time and order of work requirements of the contract. The work shall be executed in the sequence indicated in the accepted baseline and subsequent accepted updates and revisions. If the CONTRACTOR changes the sequence of work, a baseline revision submittal will be required in accordance with Section 1.4.

3. Comments made by the OWNER on the PCS or any subsequent updates and revisions, will not relieve the CONTRACTOR from compliance with requirements of the Contract Documents.
4. If requested by the OWNER at any time during the project, the CONTRACTOR shall provide detailed, short term schedules for specific items of the work.

K. Baseline Schedule Revisions

1. No change shall be made to the accepted Project Control Schedule Baseline without the prior written authorization of the OWNER.
2. If the CONTRACTOR desires or the OWNER requests that the PCS Baseline be revised to reflect specific ISSUES of the current project plan, the CONTRACTOR shall prepare a detailed analysis of the time related impacts of the specific ISSUE, demonstrating how the CONTRACTOR proposes to incorporate the ISSUE into the PCS Baseline.
3. Each time impact analysis shall be submitted prior to approval of any change in the contract to facilitate the incorporation of the impact in the next schedule submittal by the CONTRACTOR.
4. Time extensions will be granted only to the extent that equitable time adjustments for the activity or activities affected exceed the remaining total float along the path of activities impacted by the ISSUE.
5. When an authorized revision is made to the PCS Baseline, the revised baseline shall be identified by a Revision Number, giving the revised Baseline a distinct identification separate from all previous or subsequent Baseline Revisions.

L. Schedule Updates

1. The CONTRACTOR shall submit the Project Control Schedule - Update to the OWNER each month, on a date assigned by the OWNER. The Update submittal shall include all information available up to the Data Date established by the OWNER.
2. The PCS-Update submittal shall be reviewed jointly (if necessary) with the OWNER for the purpose of verifying update information. The OWNER may request key SUBCONTRACTORS or SUPPLIERS to participate in the review with the CONTRACTOR. Information to verify includes but is not limited to:
 - a. Actual start / finish dates for activities started or finished in the current period.
 - b. Activity Percent Complete for activities that are currently in progress.
 - c. Remaining durations or expected finish dates for activities that are currently in progress.
 - d. Revised logic (as-built and projected) and changes in activity durations.
 - e. Impacts of Issues identified by the CONTRACTOR or OWNER.
 - f. Incorporation of OWNER approved time extensions.
3. The CONTRACTOR may not make changes to any actual events previously entered in prior updates without written concurrence by the OWNER.
4. PCS-Update submittals shall be prepared as follows:
 - a. Graphics - 11" x 17" (Tabloid size)

- 1) Time scaled Logic Diagram of early dates, organized by WBS Codes with the calculated critical path printed in red.
 - 2) Bar chart, organized by WBS Codes, indicating early and late dates with critical path printed in red, with Target (Baseline) Bar.
- b. Graphics - 8½" x 11" (A size)
- 1) Detailed Bar Chart , Grouped by OWNER-WBS, with Target (Baseline) Bar.
- c. Tabular Reports - 8½" x 11" (A size)
- 1) Tabular activity listing, sorted by Activity ID, with Early and Late Dates, with Total and Free Float values.
 - 2) Tabular activity listing, sorted by Early Start, with Current Early and Current Baseline dates and Variance between Current Early and Current Baseline Finish Dates.
 - 3) Tabular activity listing, Grouped by Responsible party, sorted by Early Start, with Early Dates, Total and Free Float values.
 - 4) Listing of any NEW or DELETED schedule constraints and open ends with explanation of each.
 - 5) Identification of all NEW or DELETED lags contained in relationships and explanation of each.
 - 6) Identification of all NEW or DELETED activities and an explanation of each.
 - 7) Narrative report including description of problem areas, current and anticipated delaying factors, and their expected impact, and an explanation of current actions taken or proposed. In addition, alternative for possible schedule recovery to mitigate any potential delay and/or cost increases should be included in the monthly narrative by the CONTRACTOR.
 - 8) Submittal/Procurement Status Report.
 - 9) Bid Item Listing Report.
 - 10) If the CONTRACTOR fails to submit any of the PCS update submittal deliverables, the OWNER may withhold approval of progress payment estimates until such time as the CONTRACTOR submits the required update submittal.

1.05 MEASUREMENT AND PAYMENT

- A. Project Control Schedule will be considered incidental to the cost of the overall project. There shall be no separate pay for the Project Schedule.

END OF SECTION

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SECTION 01312

COORDINATION AND MEETINGS

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Section includes general coordination including pre-construction conference, site mobilization conference, and progress meetings.

1.02 RELATED DOCUMENTS

- A. Coordination is required throughout the documents. Refer to all of the Contract Documents and coordinate as necessary.

1.03 ENGINEER AND REPRESENTATIVES

- A. The Engineer may act directly or through designated representatives as defined in the Conditions of the Contract and as identified by name at the preconstruction conference.

1.04 CONTRACTOR COORDINATION

- A. Coordinate scheduling, submittals, and Work of the various Specifications sections to assure efficient and orderly sequence of installation of interdependent construction elements.
- B. Verify that utility requirement characteristics of operating equipment are compatible with existing or planned utilities. Coordinate work of various sections having interdependent responsibilities for installing, connecting to, and placing in service, such equipment.
- C. Coordinate space requirements and installation of mechanical and electrical work which are indicated diagrammatically on Drawings. Follow routing shown for pipes, ducts, and conduit, as closely as practicable; place runs parallel with line of building. Utilize spaces efficiently to maximize accessibility for other installations, for maintenance, and for repairs.
- D. Conceal pipes, ducts, and wiring within the construction in finished areas, except as otherwise indicated. Coordinate locations of fixtures and outlets with finish elements.
- E. Coordinate completion and clean up of Work for Substantial Completion and for portions of Work designated for Owner's partial occupancy.
- F. Coordinate access to site for correction of nonconforming Work to minimize disruption of Owner's activities where Owner is in partial occupancy.

1.05 PRECONSTRUCTION CONFERENCE

- A. Engineer will schedule a pre-construction conference.

B. Attendance Required: Owner's Representatives, Engineer's Representatives, Resident Project Representative, Contractor, major Subcontractors, and Funding Agency Representatives (if applicable).

C. Agenda:

1. Distribution of Contract Documents.
2. Designation of personnel representing the parties in Contract, and the Engineer.
3. Review of insurance.
4. Discussion formats proposed by the Contractor for schedule of values (if any), and construction schedule.
5. Procedures and processing of shop drawings and other submittals, substitutions, pay estimates or applications for payment, Requests for Information, Request for Proposal, Change Orders, and Contract closeout.
6. Scheduling of the Work and coordination with other contractors and utility service providers.
7. Review of Subcontractors.
8. Appropriate agenda items listed for Site Mobilization Conference, paragraph 1.06C, when pre-construction conference and site mobilization conference are combined.
9. Procedures for testing.
10. Procedures for maintaining record documents.
11. Other items as may be deemed appropriate.

1.06 SITE MOBILIZATION CONFERENCE

A. When required by the Contract Documents, Engineer will schedule a conference at the

B. Project site prior to Contractor occupancy.

C. Attendance Required: Engineer representatives, Resident Project Representative, Special Consultants, Contractor's Superintendent, and major Subcontractors.

D. Agenda:

1. Use of premises by Owner and Contractor.
2. Safety and first aid procedures.
3. Construction controls provided by Owner.
4. Temporary utilities.

5. Survey and layout.
6. Security and housekeeping procedures.
7. Field office requirements.

1.07 PROGRESS MEETINGS

- A. Project meetings shall generally be held at Project field office or other location as designated by the Engineer. Meeting shall generally be held at monthly intervals, or more frequent intervals if directed by Engineer.
- B. Attendance Required: Job superintendent, major Subcontractors and Suppliers, Owner's Representatives, Engineer's Representatives, Funding Agency Representatives (if any), and Resident Project Representative as appropriate to agenda topics for each meeting.
- C. Engineer or his representative will make arrangements for meetings, and recording minutes.
- D. Engineer or his representative will prepare the agenda and preside at meetings.
- E. Contractor shall provide required information and be prepared to discuss each agenda item.
- F. Agenda:
 1. Review minutes of previous meetings.
 2. Review of Record Documents.
 3. Review of Work progress schedule submittal, and pay estimates, payroll and compliance submittals.
 4. Field observations, problems, and decisions.
 5. Identification of problems which may impede planned progress.
 6. Review of submittals schedule and status of submittals.
 7. Review of RFI and RFP status.
 8. Change order status.
 9. Review of off-site fabrication and delivery schedules.
 10. Maintenance of progress schedule.
 11. Corrective measures to regain projected schedules.
 12. Planned progress during succeeding work period.
 13. Coordination of projected progress.

14. Maintenance of quality and work standards.
15. Effect of proposed changes on progress schedule and coordination.
16. Other items relating to Work.

PART 2 - PRODUCTS - NOT USED

PART 3 - EXECUTION - NOT USED

END OF SECTION

SECTION 01321

CONSTRUCTION PHOTOGRAPHS

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Photographic requirements for construction photographs and submittals.

1.02 SUBMITTALS

- A. Prints: Furnish 2 sets of 4-inch by 6-inch prints of each view and submit 1 print directly to the Engineer within 7 days of taking photographs. One print shall be retained by the Contractor in the field office at the Project site and available at all times for reference.
- B. Extra Prints: When requested by the Engineer, the Contractor shall submit extra prints of photographs, with distribution directly to designated parties who will pay the costs for the extra prints directly to the photographer.
- C. When required by individual sections, submit photographs taken prior to start of construction to show original site conditions.
- D. When required by Contract Documents, submit photographs with monthly Pay Estimate.
- E. Contractor shall submit digital photographs on a Computer Disc (CD) or Digital Versatile Disc (DVD) of digital photographs using a digital camera with a resolution of 3264x2448 - 8 Megapixel, but must comply with Parts 1 and 2 of this section.

1.03 QUALITY ASSURANCE

- A. Contractor shall be responsible for the timely execution of the photographs, their vantage point, and quality.
- B. Photographs: Two prints; color, matte finish; 4 x 6 -inch size, mounted on 8-1/2 x 11-inch soft card stock, with left edge binding margin for three hole punch. Digital photos shall not be distorted to fit card stock.

PART 2 - PRODUCTS

2.01 PRECONSTRUCTION PHOTOGRAPHS

- A. Prior to the commencement of any construction, take digital color photographs of the site of the project and present two sets of prints to the Engineer for their use in contract administration and inspection. Subject matter of the photographs to be determined by the Engineer.
- B. The photographs shall show on a non-reflective chalkboard readable in the photograph:
 - 1. Job number.
 - 2. Date and time photographs were taken.
 - 3. Location and compass direction of the photograph, along with the project number.
 - 4. Date shall be on digital image.
 - 5. Provide notation of vantage point marked for location and direction of shot, on a key plan of the site.
- C. Sufficient number of photographs shall be taken to show the existence or non-existence of cracked paved surfaces and the condition of trees, shrubs, and grass.
- D. Identify each photograph with an applied label or rubber stamp on the back with the following information:
 - 1. Name of the Project.
 - 2. Name and address of the photographer (if a professional photographer is used).
 - 3. Name of the Contractor.
 - 4. Date the photograph was taken.
 - 5. Photographs shall be in plastic pockets and bound in three-ring notebook for easy access and viewing.

2.02 PROGRESS PHOTOGRAPHS

- A. Take photographs of subject matter selected by Resident Project Representative at intervals, coinciding with the cutoff date associated with each application for payment. Select the vantage points for each shot each month to best show the status of construction and progress since the last photographs were taken.
 - 1. Vantage Points: Follow direction by the Resident Project Representative to select vantage points. During each of the following construction phases take not less than 2 of the required shots from the same vantage point each time to create a time-lapse sequence.

2. Photos shall be submitted according to Paragraphs 1.03 B. and 2.01 B and D.

PART 3 - EXECUTION - NOT USED

END OF SECTION

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SECTION 01330

SUBMITTAL PROCEDURES

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Submittal procedures for:
 - 1. Schedule of Values.
 - 2. Construction Schedules.
 - 3. Shop Drawings, Product Data, and Samples
 - 4. Operations and Maintenance Data.
 - 5. Manufacturer's Certificates.
 - 6. Construction Photographs.
 - 7. Project Record Documents.
 - 8. Video Tapes.
 - 9. Design Mixes.

1.02 SUBMITTAL PROCEDURES

- A. Scheduling and Handling:
 - 1. Schedule submittals well in advance of the need for the material or equipment for construction. Allow time to make delivery of material or equipment after submittal has been approved.
 - 2. Develop a submittal schedule that allows sufficient time for initial review, correction, resubmission and final review of all submittals. The Engineer will review and return

submittals to the Contractor as expeditiously as possible but the amount of time required for review will vary depending on the complexity and quantity of data submitted. In no case will a submittal schedule be acceptable which allows less than 30 days for initial review by the Engineer. This time for review shall in no way be justification for delays or additional compensation to the Contractor. Recognizing that time is of the essence, the Contractor is to stamp the top of each submittal with the words ROUTINE or CRITICAL. Routine submittals shall be processed in accordance with the timeframe set forth previously. Critical submittals are those that: were overlooked by the Contractor, involve complex coordination, or are crucial to the successful completion of a specific portion of the project. For critical submittals:

- a. Contractor shall indicate on the submittal his realistically estimated date of when a review must be returned;
 - b. Upon return of critical submittals, Contractor shall date-stamp the transmittal page with date and time received;
 - c. Contractor is cautioned that the use of critical submittals is not a substitute for proper due diligence on his part. Review of critical submittals found to be routine shall be accompanied by an invoice for excess time and material expenditures that were required in order to complete the critical review as compared to a routine review. The Resident Project Representative shall make the determination as to whether a critical submittal was in fact routine.
3. The Engineer's review of submittals covers only general conformity to the Drawings, Specifications and dimensions which affect the layout. The Contractor is responsible for quantity determination. Quantities may be verified by the Engineer. The Contractor is responsible for any errors, omissions or deviations from the Contract requirements; review of submittals in no way relieves the Contractor from his obligation to furnish required items according to the Drawings and Specifications.
 4. Submit sufficient copies of documents. Unless otherwise specified in the following paragraphs or in the Specifications, provide 6 copies in addition to the number the Contractor requires returned. For portions of the project involving electrical or signal components, provide one additional copy (7 copies in addition to the number the Contractor requires returned).
 5. Revise and resubmit submittals as required. Identify all changes made since previous submittal.
 6. A maximum of three (3) reviews will be conducted on any one submittal. Submittals requiring more than three (3) reviews will be considered inadequate and result in a recovery of review expenses from the Contractor.
 7. The Contractor shall assume the risk for material or equipment which is fabricated or delivered prior to approval. No material or equipment shall be incorporated into the Work or included in periodic progress payments until approval has been obtained in the specified manner.
- B. Transmittal Form and Numbering:
1. Transmit each submittal to the Engineer with a Transmittal Cover.
 2. Sequentially number each transmittal including the Specification Section number followed by a area designation number and the sequential number beginning with the number 1. Re-submittals shall use the original number with an alphabetic suffix (i.e., 2A for first re-submittal of Submittal 2 or 15C for third re-submittal of Submittal 15). Each submittal shall only contain one type of work, material, or equipment. Mixed submittals will not be accepted.
 3. Identify time nature of submittal, either ROUTINE or CRITICAL.

4. Identify variations from requirements of Contract Documents and identify product or system limitations.
5. For submittal numbering of video tapes, see paragraph 1.10 Video.

C. Transmittal Cover:

1. Transmittal Cover, certifying that the items have been reviewed in detail and are correct and in accordance with Contract Documents, except as noted by any requested variance. A stamp may be used to print the information on the Transmittal Cover except for the Contractor's signature. Regardless of whether the transmittal cover is typed or stamped, the transmittal cover text shall be a minimum of fourteen (14) point.
2. As a minimum, Transmittal Cover information shall include:
 - a. Contractor's name.
 - b. Job number.
 - c. Submittal number.
 - d. Certification statement that the Contractor has reviewed the submittal and it is in compliance with the Contract Documents.
 - e. Signature line for Contractor.
 - f. Submittal type – routine or critical
3. The bottom half of the Transmittal Cover shall be kept blank.

D. Electronic copy submittals:

1. Electronic copies of the approved paper copy Operation and Maintenance Manuals are to be produced in Adobe Acrobat's Portable Document Format (PDF) Version 9.0 or higher.
2. Do not password protect and/or lock the PDF document.
3. Create one (1) PDF document (PDF file) for each equipment O&M Manual.
4. Drawings or other graphics must be converted to PDF format and made part of the one (1) PDF document.
 - a. Scanning to be used only where actual file conversion is not possible.
5. Rotate pages that must be viewed in landscape to the appropriate position for easy reading.
6. Images only shall be scanned at a resolution of 300 dpi or greater.
 - a. Perform Optical Character Recognition (OCR) capture on all images.
 - b. Achieve OCR with the "original image with hidden text" option.

- c. Word searches of the PDF document must operate successfully to demonstrate OCR compliance.
- 7. Create bookmarks in the navigation frame, for each entry in the Table of Contents/Index.
 - a. Normally three (3) levels deep (i.e., "Chapter," "Section," "Sub-section").
- 8. Thumbnails must be generated for each PDF file.
- 9. Set the opening view for PDF files as follows:
 - a. Initial view: Bookmarks and Page.
 - b. Magnification: Fit in Window.
 - c. Page layout: Single page.
 - d. Set the file to open to the cover page of the manual with bookmarks to the left, and the first bookmark linked to the cover page.
 - e. All PDF documents shall be set with the option "Fast Web View" 1 to open the first 2 pages of the document for the viewer while the rest of the document continues to load.
 - f. File naming conventions:
 - 1) File names shall use a "ten dot three" convention (XXXXXX-YYYY-Z.PDF) where XXXXXX is the Specification Section number, YYYY is the area designation number and Z is the sequential submittal number.
- 10. Labeling:
 - a. As a minimum, include the following labeling on all CD-ROM discs and jewel 19 cases:
 - 1) Project Name.
 - 2) Equipment Name and Project Tag Number.
 - 3) Project Specification Section.
 - 4) Manufacturer Name.
 - 5) Vendor Name.
- 11. Binding:
 - a. Include labeled CD(s) in labeled jewel case(s). Bind jewel cases in standard three-ring binder Jewel Case Page(s), inserted at the front of the Final paper copy submittal.
 - b. Jewel Case Page(s) to have means for securing Jewel Case(s) to prevent loss (e.g., flap and strap).

1.03 SCHEDULE OF VALUES

- A. Submit a Schedule of Values in accordance with Section 01292 - Schedule of Values.

1.04 CONSTRUCTION SCHEDULE

- A. Submit Construction Schedules in accordance with Section 01325 - Construction Schedule.

1.05 SHOP DRAWINGS, PRODUCT DATA, AND SAMPLES

- A. Submit shop drawings in accordance with Section 01340 - Shop Drawings, Product Data, and Samples.

1.06 OPERATIONS AND MAINTENANCE DATA

- A. Submit Operations and Maintenance data in accordance with Section 01782 - Operations and Maintenance Data.

1.07 MANUFACTURER'S CERTIFICATES

- A. When required in Specification sections, submit manufacturers' certificate of compliance for review by Engineer.
- B. Transmittal Cover, as described in paragraph 1.02C, shall be placed on front page of the certification.
- C. Submit supporting reference data, affidavits, and certifications as appropriate.
- D. Certificates may be recent or previous test results on material or product, but must be acceptable to Engineer.

1.08 CONSTRUCTION PHOTOGRAPHS

- A. Submit Construction Photographs in accordance with Section 01321 – Construction Photographs.

1.09 PROJECT RECORD DOCUMENTS

- A. Submit Project Record Documents in accordance with Section 01785 - Project Record Documents.

1.10 VIDEO

- A. Submit television video tapes as required for Acceptance Testing for Sanitary Sewers.
- B. Transmittal forms for video tapes shall be numbered sequentially beginning with TV01, TV02, etc.

1.11 DESIGN MIXES

- A. When specified in Specifications, submit design mixes for review.

- B. Transmittal Cover, as described in paragraph 1.02C, shall be placed on front page of each design mix.
- C. Mark each design mix to identify proportions, gradations, and additives for each class and type of design mix submitted. Include applicable test results on samples for each mix.
- D. Maintain a copy of approved design mixes at mixing plant.

PART 2 - PRODUCTS - NOT USED

PART 3 - EXECUTION

3.01 GENERAL

- A. Submittals made as part of this project will become a vital portion of the project record and will be referenced by the Owner for the useful life of the project. All submittals shall be of high quality. To this end, the following requirements are made:
 - 1. As much as possible, all catalog cuts and manufacturer's information shall be original.
 - 2. Copies, when required, shall be clean and entirely legible.
 - 3. Neither facsimiles nor copies of facsimiles are to be included as part of any submittal.
 - 4. Binders, if used, shall be rugged, lock-ring type. Spine of binders shall be clearly labeled with the information outlined in items 1.02 C.2.a. through c.
- B. Reviewed submittals shall be returned to Contractor for distribution to subcontractors and other trades as required. As a minimum, submittals returned to the Contractor will be marked with review comments indicating findings of the review and giving instruction as to necessity of a re-submittal. The Engineer may, at his option, use a stamp for this purpose. Detailed correspondence covering the review may also accompany returned submittals.

END OF SECTION

SECTION 01340
SHOP DRAWINGS, PRODUCT DATA, AND SAMPLES

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Methods, schedule, and process to be followed for shop drawings, product data, and sample submittals.

1.02 REQUIREMENT

- A. Submit shop drawings, product data and samples as required by the General Conditions and as designated in the Specifications using the procedures specified in Section 01330 – Submittal Procedures and the requirements of this Section.
- B. Shop drawings, product data and samples are not considered Contract Documents.

1.03 SHOP DRAWING/SUBMITTAL SCHEDULE

- A. Submit a separate Shop Drawing/Submittal schedule at the same time the construction schedule is submitted. List products, materials and equipment for which Shop Drawings and other submittals are required in the order in which they appear in the Specifications. Including product data and sample submittals in schedule.

1.04 SHOP DRAWINGS

- A. Submit shop drawings for review as required by the Specifications.
- B. Place Contractor's Transmittal Cover on each drawing as described in Section 01330 – Submittal Procedures.
- C. On the drawings, show accurately and distinctly, the following:
 - 1. Field and erection dimensions clearly identified as such;
 - 2. Arrangement and section views;
 - 3. Relation to adjacent materials or structure, including complete information for making connections between work under this Contract and work under other contracts;
 - 4. Kinds of materials and finishes;
 - 5. Parts list and descriptions;
 - 6. Assembly drawings of equipment components and accessories showing their respective positions and relationships to the complete equipment package;

7. Where necessary for clarity, identify details by reference to the Contract Drawings.
- D. Make drawings to scale providing a true representation of the specific equipment or item to be furnished.

1.05 PRODUCT DATA

- A. Submit product data for review as required in Specification sections.
- B. Place Contractor's Transmittal Cover on each data item submitted, as described in Section 01330 – Submittal Procedures.
- C. Mark each copy to identify applicable products, models, and options to be used in this Project. Supplement manufacturers' standard data to provide information unique to this Project, where required by the Specifications.
- D. For products specified only by reference standard, give manufacturers, trade name, model or catalog designation and applicable reference standard.

1.06 SAMPLES

- A. Submit samples for review as required by the Specifications.
- B. Place Contractor's Transmittal Cover on each sample as described in Section 01330 – Submittal Procedures.
- C. Submit the number of samples specified in Specifications.
- D. Reviewed samples which may be used in the Work are identified in Specifications.

PART 2 - PRODUCTS – NOT USED

PART 3 - EXECUTION – NOT USED

END OF SECTION

SECTION 01360
PRODUCT SUBSTITUTION PROCEDURES

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Options for making product or process selections.
- B. Procedures for proposing equivalent construction products or processes.

1.02 DEFINITIONS

- A. Product: Means materials, equipment, or systems incorporated into the Project. Product does not include machinery and equipment used for production, fabrication, conveying, and erection of the Work. Products may also include existing materials or components designated for reuse.
- B. Process: Any proprietary system or method for installing system components resulting in an integral, functioning part of the Work. For this Section, the word Product includes Processes.

1.03 SELECTION OPTIONS

- A. Approved Products: Construction products or processes of certain manufacturers or suppliers designated in the Specifications followed by the words "or approved equal." Approval of alternate products or processes not listed in the Specifications may be obtained through provisions for product options and substitutions in the Contract Documents, and by following the submittal procedures specified in 01330- Submittal Procedures.
- B. Product Compatibility: To the maximum extent possible, provide products that are of the same type or function from a single manufacturer, make, or source. Where more than one choice is available as a Contractor's option, select a product which is compatible with other products already selected, specified, or in use by the Owner.

1.04 CONTRACTOR'S RESPONSIBILITY

- A. The Contractor's responsibility related to product options and substitutions is defined in the Contract Documents.
- B. Furnish information the Engineer deems necessary to judge equivalency of the alternate product.
- C. Pay for laboratory testing, as well as any other review or examination costs, needed to establish the equivalency between products in order to obtain information upon which the Engineer can base a decision.
- D. If the Engineer determines that an alternate product is not equal to that named in the Specifications, the Contractor shall furnish the specified products.

1.05 ENGINEER'S REVIEW

- A. Alternate products or processes may be used only if approved in writing by the Engineer. The Engineer's determination regarding acceptance of a proposed alternate product is final.
- B. Alternate products will be accepted if the product is judged by the Engineer to be equivalent to the specified product or to offer substantial benefit to the Owner.
- C. The Owner retains the right to accept any product or process deemed advantageous to the Owner, and similarly, to reject any product or process deemed not beneficial to the Owner.

1.06 SUBSTITUTION PROCEDURE

- A. Collect and assemble technical information applicable to the proposed product to aid in determining equivalency as related to the approved product specified.
- B. Submit a written request for a construction product to be considered as an alternate product.
- C. Submit the product information after the effective date of the Agreement.
- D. Submit 5 copies of each request for alternate product approval. Include the following information:
 - 1. Complete data substantiating compliance of proposed substitution with Contract Documents.
 - 2. For products:
 - a. Product identification, including manufacturer's name and address.
 - b. Manufacturer's literature with product description, performance and test data, and reference standards.
 - c. Samples, as applicable.
 - d. Name and address of similar projects on which product was used and date of installation. Include the name of the Owner, Architect/Engineer, and installing contractor.
 - 3. For construction methods:
 - a. Detailed description of proposed method.
 - b. Drawings illustrating methods.
 - 4. Itemized comparison of proposed substitution with product or method specified.
 - 5. Data relating to changes in construction schedule.
 - 6. Relation to separate contracts, if any.
 - 7. Accurate cost data on proposed substitution in comparison with product or method specified.

- 8. Other information requested by the Engineer.
- E. Approved alternate products will be subject to the same review process as the specified product would have been for shop drawings, product data, and samples.

PART 2 - PRODUCTS - NOT USED

PART 3 - EXECUTION - NOT USED

END OF SECTION

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SECTION 01390

SAFETY

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Administrative and procedural requirements for safety,.

1.02 SAFETY REFERENCES

- A. The Contractor shall comply with all applicable regulations of the Federal Occupational Safety and Health Administration (OSHA), 29CFR 1926, Construction Standards. The OSHA, 29CFR 1926, Construction Standards can be accessed at www.osha.gov .

1.03 NON-COMPLIANCE

- A. The Contractor is responsible for being cognizant of and ensuring compliance with the requirements set forth in Section 1.2 above. Such responsibility shall apply to both the Contractor's operations and those of the Contractor's subcontractors. When violations of the safety and health requirements contained in these Contract Documents or standards referenced in Section 1.2 are called to the Contractor's attention by the Owner, the Contractor shall immediately correct the condition to which attention has been directed. Such notice, either oral or written, when served on the Contractor or the Contractor's representative(s), shall be deemed sufficient.
- B. In the event the Contractor fails or refuses to promptly comply with the compliance directive issued under A. above, the Owner may issue an order to stop all or any part of the work. When satisfactory corrective action is taken, an order to resume work will be issued. The Contractor shall not be entitled to any extension of time nor to any claim for damage or to additional compensation by reason of either the directive or the stop order. Failure of the Owner to order discontinuance of any or all of the Contractor's operations shall not relieve the Contractor of the Contractor's responsibility for the safety of personnel and property:

1.04 ACTIVITY HAZARD ANALYSIS

- A. The Contractor shall provide to the Owner's Representative a copy of the Material Safety Data Sheets for each hazardous chemical that the Contractor plans to use for any portion of the Work required by this Contract. Compliance-confirmation must be received from the Owner's Representative prior to bringing any hazardous chemicals to the jobsite.

1.05 REPORTING REQUIREMENTS

- A. Reporting Reports. For OSHA recordable accidents, the Contractor shall conduct a suitable investigation, complete the OSHA Form 300, latest edition, and provide to the Owner's Representative within five (5) calendar days of the accident.

- B. Notification. The Contractor shall notify the Owner's Representative within four (4) hours of any accident meeting the definition of OSHA recordable occupational injury of illness. The information shall include the Contractor's name; contract IBM number; name of activity; location of where mishap occurred; date and time of mishap; names of personnel injured; extent of property damage, if any; and brief description of mishap (to include type of construction equipment used, personal protective equipment used, etc.) In addition to OSHA reporting requirements, initial notification shall be made of any accident involving significant mishaps.
- C. Monthly Exposure Report. Monthly exposure reporting to the Owner's Representative is required to be attached to the monthly billing request. This report is a compilation of employee hours worked for each month for all site workers, both prime and subcontractor.
- D. OSHA Citation and Violations. The Contractor shall provide the Owner's Representative with a copy of each OSHA citation, OSHA report, and Contractor response. The Contractor shall correct violations and citations promptly and provide written corrective actions to the Owner's Representative.

PART 2 - PRODUCTS – NOT USED

PART 3 - EXECUTION

3.01 GENERAL

- A. In general, the Contractor shall incorporate and install all safety measures in accordance with standard industry practice and applicable regulatory requirements.

END OF SECTION

SECTION 01411

ENVIRONMENTAL PROTECTION

PART 1 - GENERAL

1.01 GENERAL REQUIREMENTS

A. The contractor shall perform the work minimizing environmental pollution and damage as the result of construction operations. Environmental pollution and damage is the presence of chemical, physical, or biological elements or agents which adversely affect human health or welfare; unfavorably alter ecological balances of importance to human life; affect other species of importance to humankind; or degrade the utility of the environment for aesthetic, cultural and/or historical purposes. The control of environmental pollution and damage requires consideration of land, water, and air, and includes management of visual aesthetics, noise, solid waste, as well as other pollutants. The environmental resources within the project boundaries and those affected outside the limits of permanent work shall be protected during the entire duration of this contract.

B. SUBCONTRACTORS

1. The Contractor shall ensure compliance with this section by subcontractors.

C. PERMITS

1. The Contractor shall obtain all needed permits or licenses. The Owner will not obtain any permits for this project. The Environmental Protection Agency (EPA), through the national pollutant discharge elimination system (NPDES), requires general permits, a notice of intent, and a notice of discontinuation. The Contractor shall be responsible for implementing the terms and requirements of the appropriate permits as needed and for payment of all fees.

D. PRECONSTRUCTION SURVEY

1. Prior to starting any onsite construction activities, the Contractor and Owner shall make a joint condition survey, after which the Contractor shall prepare a brief report indicating on a layout plan the condition of trees, shrubs, and grassed areas immediately adjacent to work sites and adjacent to the assigned storage area and access routes as applicable. This report will be signed by both the owner and the Contractor upon mutual agreement as to its accuracy and completeness.

E. MEETINGS

1. The Contractor shall meet with representatives of the Owner to change the environmental protection plan as needed for compliance with the environmental pollution control program.

F. NOTIFICATION

1. The Owner will notify the Contractor in writing of any observed noncompliance with the previously mentioned Federal, State or local laws or regulations, permits, and other elements of the Contractor's environmental protection plan. The Contractor shall, after receipt of such notice, inform the Owner of proposed corrective action and take such action when approved. If the Contractor fails to comply promptly, the Owner may issue an order stopping all or part of the work until satisfactory corrective action has been taken. No time extensions shall be granted or costs or damages allowed to the Contractor for any such suspensions.

G. PREVIOUSLY USED EQUIPMENT

1. The Contractor shall thoroughly clean all construction equipment previously used at other sites before it is brought into the work areas, ensuring that soil residuals are removed.

H. PAYMENT

1. No separate payment will be made for work covered under this section; all costs associated with this section shall be included in the contract unit and/or lump sum prices in the Bidding Schedule.

1.02 LAND RESOURCES

- A. The Contractor shall confine all activities to areas defined by the drawings and specifications. Prior to the beginning of any construction, the Contractor shall identify the land resources to be preserved within the work area. Except in areas indicated on the drawings or specified to be cleared, the Contractor shall not remove, cut, deface, injure, or destroy land resources including trees, shrubs, vines, grasses, topsoil, and land forms without permission. No ropes, cables, or guys shall be fastened to or attached to any trees for anchorage unless specifically authorized. Where such emergency use is permitted, the Contractor shall provide effective protection for land and vegetation resources at all times as defined in the following subparagraphs. Stone, earth or other material displaced into uncleared areas shall be removed.

B. WORK AREA LIMITS

1. Prior to any construction, the Contractor shall mark the areas that need not be disturbed under this contract. Isolated areas within the general work area which are to be saved and protected shall also be marked or fenced. Monuments and markers shall be protected before construction operations commence. Where construction operations are to be conducted during darkness, the markers shall be visible. The Contractor's personnel shall be knowledgeable of the purpose for marking and/or protecting particular objects.

C. LANDSCAPE

1. Trees, shrubs, vines, grasses, land forms and other landscape features indicated and defined on the drawings to be preserved shall be clearly identified by marking, fencing, or wrapping with boards, or any other approved techniques. Fencing shall be erected at sufficient distance from a tree trunk (usually equal to the diameter of the tree crown) to prevent compaction of soil over the root spread.

D. UNPROTECTED ERODIBLE SOILS

1. Earthwork brought to final grade shall be finished as indicated. Side slopes and back slopes shall be protected as soon as practicable upon completion of rough grading. All earthwork shall be planned and conducted to minimize the duration of exposure of unprotected soils. Except in cases where the constructed feature obscures borrow areas, quarries, and waste material areas, these areas shall not initially be totally cleared. Clearing of such areas shall progress in reasonably sized increments as needed to use the developed areas as approved by the Owner.

E. DISTURBED AREAS

1. The Contractor shall effectively prevent erosion and control sedimentation through approved methods and Best Management Practices (BMP's) including, but not limited to, the following:
2. Retardation and control of runoff. Runoff from the construction site or from storms shall be controlled, retarded, and diverted to protected drainage courses by means of diversion ditches, benches, berms, and by any measures required by area wide plans under the Clean Water Act.
3. Erosion and sedimentation control devices. The Contractor shall construct or install temporary and permanent erosion and sedimentation control features as indicated on the drawings. Berms, dikes, drains, sedimentation basins, grassing, and mulching shall be maintained until permanent drainage and erosion control facilities are completed and operative.
4. Sediment basins. Sediment from construction areas maybe trapped in temporary or permanent sediment basins in accordance with the drawings. The basins shall accommodate the runoff of a local 5 year storm (6.1" in 24 hours). After each storm, the basins shall be pumped dry and accumulated sediment shall be removed to maintain basin effectiveness. Overflow shall be controlled by paved weirs or by vertical overflow pipes. The collected topsoil sediment shall be reused for fill on the construction site, and/or stockpiled for use at another site. The Contractor shall institute effluent quality monitoring programs as requested by State and local environmental agencies.
5. De-watering of site and control of water quality. All water discharged from any excavation will be deposited at approved locations only. The Contractor will monitor water quality and not dispose of any material illegally. De-watering methods will be included in the Contractor's SWPPP.

F. CONTRACTOR FACILITIES AND WORK AREAS

1. The Contractor's field offices, staging areas, stockpile storage, and temporary buildings shall be placed in areas designated on the drawings or as directed by the Owner. Temporary movement or relocation of Contractor facilities shall be made only when approved. Borrow areas shall be managed to minimize erosion and to prevent sediment from entering nearby waters. Spoil areas shall be managed and controlled to limit spoil intrusion into areas designated on the drawings and to prevent erosion of soil or sediment from entering nearby waters. Spoil areas shall be developed in accordance with the grading plan indicated on the drawings. Temporary excavation and embankments for plan and/or work areas shall be controlled to protect adjacent areas from despoilment.

1.03 WATER RESOURCES

A. GENERAL

1. The Contractor shall keep construction activities under surveillance, management, and control to avoid pollution of surface and ground waters. Toxic or hazardous chemicals shall not be applied to soil or vegetation when such application may cause contamination of the fresh water reserve. Monitoring of water areas affected by construction shall be the Contractor's responsibility. All water areas affected by construction activities shall be monitored by the Contractor.

B. WASHING AND CURING WATER

1. Waste waters directly derived from construction activities shall not be allowed to enter stormwater or wastewater facilities.

C. FISH AND WILDLIFE

1. The Contractor shall minimize interference with, disturbance to, and damage of fish and wildlife.

1.04 AIR RESOURCES

- A. Equipment operation and activities or processes performed by the Contractor in accomplishing the specified construction shall be in accordance with the State of Texas rules and all Federal emission and performance laws and standards. Ambient Air Quality Standards set by the Environmental Protection Agency shall be maintained. Monitoring of air quality, if required, shall be the Contractor's responsibility. All air areas affected by the construction activities shall be monitored by the Contractor. Monitoring results will be periodically reviewed by the Owner to ensure compliance.

B. PARTICULATES

1. particles, aerosols and gaseous by-products from construction activities; and processing and preparation of materials, such as from asphaltic batch plants; shall be controlled at all times, including weekends, holidays and hours when work is not in progress. The Contractor shall maintain excavations, stockpiles, haul roads, permanent and temporary access roads, plant sites, spoil areas, borrow areas, and other work areas within or outside the project boundaries free from particulates which would cause the air pollution standards to be exceeded or which would cause a hazard or a nuisance. Sprinkling, chemical treatment of an approved type, light bituminous treatment baghouse, scrubbers, electrostatic precipitators or other methods will be permitted to control particulates in the work area. Sprinkling, to be efficient, must be repeated to keep the disturbed area damp at all times. The Contractor must have sufficient, competent equipment available to accomplish these tasks. Particulate control shall be performed as the work proceeds and whenever a particulate nuisance or hazard occurs.

C. HYDROCARBONS AND CARBON MONOXIDE

1. Hydrocarbons and carbon monoxide emissions from equipment shall be controlled to Federal and State allowable limits at all times.

D. ODORS

1. Odors shall be controlled at all times for all construction activities, processing and preparation of materials.

E. SOUND INTRUSIONS

1. The Contractor shall keep construction activities under surveillance and control to minimize environment damage by noise. The Contractor shall comply with the provisions of the City ordinances.

1.05 WASTE DISPOSAL

- A.** Disposal of wastes shall comply with all applicable City requirements and as specified below.

B. SOLID WASTES

1. wastes (excluding clearing debris) shall be placed in containers and emptied on a regular schedule. Handling and disposal shall be conducted to prevent contamination. Segregation measures shall be employed so that no hazardous or toxic waste will become co-mingled with solid waste. The Contractor shall transport solid waste and dispose of it in compliance with Federal, State, and local requirements for solid waste disposal. Contractor shall dispose of classified non-hazardous solid waste at disposal area. The Contractor shall comply with Federal, State, and local laws and regulations pertaining to the use of landfill areas.

C. HAZARDOUS WASTES

1. The Contractor shall take sufficient measures to prevent spillage of hazardous materials during dispensing and collect waste in suitable containers observing compatibility. Toxic materials shall not be used within the construction site.

The Contractor shall immediately transport hazardous waste and dispose of it in compliance with Federal and local laws and regulations. Storage of hazardous waste on the construction site is prohibited. Spills of hazardous materials shall be immediately reported to the Owner. Cleanup and cleanup costs due to spills shall be the Contractor's responsibility.

D. BURNING

1. Burning will not be allowed.

1.06 HISTORICAL, ARCHAEOLOGICAL, AND CULTURAL RESOURCES

- A. Existing historical, archaeological, and cultural resources within the Contractor's work area will be so designated by the Owner, if any has been identified. The Contractor shall take precautions to preserve all such resources as they existed at the time they were first pointed out. The Contractor shall provide and install protection for these resources and be responsible for their preservation during the life of the contract. If during excavation or other construction activities any previously unidentified or unanticipated resources are discovered or found, all activities that may damage or alter such resources shall be temporarily suspended. Resources covered by this paragraph include but are not limited to: any human skeletal remains or burials; artifacts; shell, midden, bone charcoal, or other deposits; rocks or coral alignments, pavings, wall, or other constructed features; and any indication of agricultural or other human activities. Upon such discovery or find, the Contractor shall immediately notify the Owner. While waiting for instructions the Contractor shall record, report, and preserve the finds in accordance with the requirements of the Texas State Historical Preservation Office.

1.07 POST CONSTRUCTION CLEANUP

- A. The Contractor shall clean up all areas used for construction.

1.08 RESTORATION OF LANDSCAPE DAMAGE

- A. The Contractor shall restore landscape features damaged or destroyed during construction operations outside the limits of the approved work areas at no costs to the OWNER.

1.09 MAINTENANCE OF ANTI-POLLUTION FACILITIES

- A. The Contractor shall maintain permanent and temporary pollution control facilities and devices for the duration of the contract or for that length of time construction activities create the particular pollutant.

1.10 TRAINING OF CONTRACTOR PERSONNEL

- A. The Contractor's personnel shall be trained in all phases of environmental protection. The training shall include methods of detecting and avoiding pollution, familiarization with pollution standards, both statutory and contractual, and installation and care of devices, vegetative covers, and instruments required for monitoring purposes to ensure adequate and continuous environmental pollution control.

PART 2 - PRODUCTS (NOT USED)

PART 3 - EXECUTION (NOT USED)

END OF SECTION

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SECTION 01422

REFERENCE STANDARDS

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Section includes general quality assurance as related to Reference Standards and a list of references.

1.02 QUALITY ASSURANCE

- A. For Products or workmanship specified by association, trade, or Federal Standards, comply with requirements of the standard, except when more rigid requirements are specified or are required by applicable codes.
- B. Conform to reference standard by date of issue current on the date of the Contract.
- C. Request clarification from Engineer before proceeding should specified reference standards conflict with Contract Documents.

1.03 SCHEDULE OF REFERENCES

AASHTO	American Association of State Highway and Transportation Officials 444 North Capitol Street, N.W. Washington, DC 20001
ACI	American Concrete Institute P.O. Box 9094 Farmington Hills, MI 48333-9094
AGC	Associated General Contractors of America 1957 E Street, N.W. Washington, DC 20006
AI	Asphalt Institute Asphalt Institute Building College Park, MD 20740
AITC	American Institute of Timber Construction 333 W. Hampden Avenue Englewood, CO 80110
AISC	American Institute of Steel Construction 400 North Michigan Avenue Eighth Floor Chicago, IL 60611
AISI	American Iron and Steel Institute

1000 16th Street, N.W.
Washington, DC 20036

ASME	American Society of Mechanical Engineers 345 East 47th Street New York, NY 10017
ANSI	American National Standards Institute 1430 Broadway New York, NY 10018
APA	American Plywood Association Box 11700 Tacoma, WA 98411
API	American Petroleum Institute 1220 L Street, N.W. Washington, DC 20005
AREA	American Railway Engineering Association 50 F Street, N.W. Washington, DC 20001
ASTM	American Society for Testing and Materials 1916 Race Street Philadelphia, PA 19103
AWPA	American Wood-Preservers' Association 7735 Old Georgetown Road Bethesda, MD 20014
AWS	American Welding Society P.O. Box 35104 Miami, FL 33135
AWWA	American Water Works Association 6666 West Quincy Avenue Denver, CO 80235
CFR	Code of Federal Regulations
CLFMI	Chain Link Fence Manufacturers Institute 1101 Connecticut Avenue, N.W. Washington, DC 20036
CRSI	Concrete Reinforcing Steel Institute 933 Plum Grove Road Schaumburg, IL 60173-4758
DIPRA	Ductile Iron Pipe Research Association
EJMA	Expansion Joint Manufacturers Association 707 Westchester Avenue White Plains, NY 10604

FS	Federal Standardization Documents General Services Administration Specifications Unit (WFSIS) 7th and D Streets, S.W. Washington, DC 20406
ICEA	Insulated Cable Engineer Association P.O. Box 440 S. Yarmouth, MA 02664
IEEE	Institute of Electrical and Electronics Engineers 445 Hoes Lane P.O. Box 1331 Piscataway, NJ 0855-1331
ISA	International Society of Arboriculture 303 West University P.O. Box GG Savoy, IL 61874
MIL	Military Specifications General Services Administration Specifications Unit (WFSIS) 7th and D Streets, S.W. Washington, DC 20406
NACE	National Association of Corrosion Engineers 1440 South Creek Drive Houston, TX 71084
NEMA	National Electrical Manufacturers' Association 2101 L Street, N.W., Suite 300 Washington, DC 20037
NFPA	National Fire Protection Association Batterymarch Park P.O. Box 9101 Quincy, MA 02269-9101
NRMCA	National Ready Mix Concrete Association
NSF	National Sanitary Foundation
OSHA	Occupational Safety Health Administration U.S. Department of Labor Government Printing Office Washington, DC 20402
PCA	Portland Cement Association 5420 Old Orchard Road Skokie, IL 60077-1083
PCI	Prestressed Concrete Institute 201 North Wacker Drive Chicago, IL 60606

REFERENCE STANDARDS

SDI	Steel Deck Institute Box 9506 Canton, OH 44711
SSPC	Steel Structures Painting Council 4400 Fifth Avenue Pittsburgh, PA 15213
TAC	Texas Administrative Code
TxDOT	Texas Department of Transportation 11th and Brazos Austin, TX 78701 2483
UL	Underwriters' Laboratories, Inc. 333 Pfingston Road Northbrook, IL 60062
UNI-BELL	UNI-BELL Pipe Association 2655 Villa Creek Drive, Suite 155 Dallas, TX 75234

PART 2 - PRODUCTS - NOT USED

PART 3 - EXECUTION - NOT USED

END OF SECTION

SECTION 01450
CONTRACTOR'S QUALITY CONTROL

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Quality assurance and control of installation and manufacturer's field services and reports.

1.02 MEASUREMENT AND PAYMENT

- A. No payment will be made for this item. Include the cost of Contractor's quality control in overhead cost for this project.

1.03 QUALITY ASSURANCE/CONTROL OF INSTALLATION

- A. Monitor quality control over suppliers, manufacturers, products, services, site conditions, and workmanship, to produce Work of specified quality.
- B. Comply fully with manufacturers' installation instructions, including each step in sequence.
- C. Request clarification from Engineer before proceeding should manufacturers' instructions conflict with Contract Documents.
- D. Comply with specified standards as minimum requirements for the Work except when more stringent tolerances, codes, or specified requirements indicate higher standards or more precise workmanship.
- E. Perform work by persons qualified to produce the specified level of workmanship.

1.04 REFERENCES

- A. Obtain copies of standards and maintain at job site when required by individual Specification sections.

1.05 MANUFACTURERS' FIELD SERVICES AND REPORTS

- A. When specified in individual Specification sections, provide material or product suppliers' or manufacturers' technical representative to observe site conditions, conditions of surfaces and installation, quality of workmanship, start-up of equipment, operator training, test, adjust, and balance of equipment as applicable, and to initiate operation, as required. Conform to minimum time requirements for start-up operations and operator training if defined in Specification sections.

- B. Manufacturer's representative shall report observations and site decisions or instructions given to applicators or installers that are supplemental or contrary to manufacturers' written instructions. Submit report within 14 days of observation to Resident Project Representative for review.

PART 2 - PRODUCTS - NOT USED

PART 3 - EXECUTION - NOT USED

END OF SECTION

SECTION 01460
LABORATORY AND INSPECTION SERVICES

PART 1 - GENERAL

1.01 GENERAL DESCRIPTION OF WORK:

- A. This item shall consist of all required testing and inspection services required to provide certification that the completed construction is in substantial compliance with the contract, plans and specifications.
- B. Testing and inspections shall include: all underground utilities (water, sewer & drainage), roadway embankment, subgrade, base & asphalt, curbs of all types, concrete pavements, concrete structures, signage, striping, and all other facilities as may be included in the overall scope of construction.
- C. Inspections may include observations to determine compliance with the prescribed stormwater pollution prevention plan (SW3P), trench safety, personal protection equipment and traffic control plans.
- D. The ENGINEER has the authority to observe, test, inspect, approve, and accept the work. The ENGINEER decides all questions about the quality and acceptability of materials, work performed, work progress, Contract interpretations, and acceptable Contract fulfillment. The ENGINEER has the authority to enforce and make effective these decisions.
- E. The ENGINEER acts as a referee in all questions arising under the terms of the Contract. The ENGINEER's decisions will be final and binding.

1.02 MEASUREMENT AND PAYMENT

- A. Measurement:
 - 1. This work shall be considered incidental to the completion of the project and no additional compensation shall be paid for this work.
- B. Payment
 - 1. No separate payment shall be made for this item.

1.03 LABORATORY REPORTS

- A. The testing laboratory shall provide and distribute copies of laboratory reports to the distribution list provided by the Engineer.
- B. One copy of each laboratory report distributed or faxed to the Contractor shall be kept at the site field office for the duration of the project.

- C. Before close of business on the working day following test completion and review, reports which indicate failing test results shall be transmitted immediately via fax from the testing laboratory to the material supplier, Contractor, Engineer and Resident Project Representative.

1.04 LIMITS ON TESTING LABORATORY AUTHORITY

- A. Laboratory may not release, revoke, alter, or enlarge on requirements of Contract Documents.
- B. Laboratory may not approve or accept any portion of the Work.
- C. Laboratory may not assume any duties of the Contractor.
- D. Laboratory has no authority to stop the Work

1.05 CONTRACTOR RESPONSIBILITIES

- A. Provide safe access to the Work and to manufacturer's facilities for the Engineer, Resident Project Representative and for testing laboratory personnel.
- B. Provide to the testing laboratory a copy of the construction schedule and a copy of each update to the construction schedule.
- C. Notify the Engineer and the testing laboratory during normal working hours of the day previous to the expected time for operations requiring inspection and testing services. If the Contractor fails to make timely prior notification, then the Contractor shall not proceed with the operations requiring inspection and testing services.
- D. Request and monitor testing as required to provide timely results and to avoid delay to the Work. Provide samples to the laboratory in sufficient time to allow the required test to be performed in accordance with specified test methods before the intended use of the material.
- E. Cooperate with laboratory personnel in collecting samples on site. Provide incidental labor and facilities for safe access to the Work to be tested; to obtain and handle samples at the site or at source of products to be tested; and to facilitate tests and inspections including storage and curing of test samples.

PART 2 - PRODUCTS (NOT USED)

PART 3 - EXECUTION

3.01 LABORATORY TESTING

- A. All required laboratory testing shall be completed by an independent, qualified testing laboratory approved by the OWNER. All initial testing shall be paid for by the OWNER. Any retesting required shall be paid for by the CONTRACTOR.
- B. Laboratory sampling and testing specified in individual Specification sections shall conform to the latest issues of ASTM standards, TxDOT methods, or other recognized test standards as approved by the Engineer.
- C. The requirements of this section shall also apply to those tests for approval of materials, for mix designs, and for quality control of materials as performed by the testing laboratories employed by the Owner.
- D. Cost for additional review time will be billed to the CONTRACTOR by the OWNER for the actual hours required for the re-testing in accordance with the current rates as established by the contract between the OWNER and the Testing Lab. Cost for the additional review shall be paid to the OWNER by the CONTRACTOR on a monthly basis.

3.02 INSPECTIONS

- A. PROVIDERS: All required inspections shall be provided by either the independent testing laboratory or by the City of Pharr Engineering department staff. All initial inspections conducted during normal business hours (8:00 am to 5:00 pm, Monday – Friday, excluding Holidays) shall be provided by the OWNER at no charge. Any inspections or testing requested by the CONTRACTOR to be provided at any other time will be paid for by the CONTRACTOR. Any re-inspections or re-testing required shall be paid for by the CONTRACTOR.
- B. COSTS: Cost for additional review time will be billed to the CONTRACTOR by the OWNER for the actual hours required for the retesting in accordance with the current rates as established by the contract between the OWNER and the Testing Lab. Cost for the additional review shall be paid to the OWNER by the CONTRACTOR on a monthly basis.

- C. **INSPECTORS:** Inspectors are authorized representatives of the ENGINEER. Inspectors are authorized to examine all work performed and materials furnished, including preparation, fabrication, and material manufacture. Inspectors inform the CONTRACTOR of failures to meet Contract requirements. Inspectors may reject work or materials and may suspend work until any issues can be referred to and decided by the ENGINEER. Inspectors cannot alter, add, or waive Contract provisions, issue instructions contrary to the Contract, act as foremen for the CONTRACTOR, or interfere with the management of the work. Inspection or lack of inspection will not relieve the CONTRACTOR from obligation to provide materials or perform the work in accordance with the Contract. CONTRACTOR shall provide safe access to all parts of the work and provide information and assistance to the ENGINEER to allow a complete and detailed inspection and give the ENGINEER sufficient notice to inspect the work. Work performed without suitable inspection, as determined by the ENGINEER, may be ordered removed and replaced at CONTRACTOR's expense. CONTRACTOR shall remove or uncover portions of finished work as directed. Once inspected, restore work to Contract requirements. If the uncovered work is acceptable, the costs to uncover, remove, and replace or make good the parts removed will be paid for in accordance "Changes in the Work." If the work is unacceptable, CONTRACTOR shall assume all costs associated with repair or replacement, including the costs to uncover, remove, and replace or make good the parts removed. When a government entity, utility, railroad company, or other entity accepts or pays a portion of the Contract, that organization's representatives may inspect the work but cannot direct the CONTRACTOR. The right of inspection does not make that entity a party to the Contract and does not interfere with the rights of the parties to the Contract.
- D. **FINAL INSPECTION:** After all work is complete, the CONTRACTOR will request a final inspection by the ENGINEER authorized to accept the work. The final inspection will be made as soon as possible, and not later than 5 calendar days after the request. No working day charges will be made between the date of request and final inspection. After the final inspection, if the work is satisfactory, the ENGINEER will notify the CONTRACTOR in writing of the final acceptance of the work. If the final inspection finds any work to be unsatisfactory, the ENGINEER will identify in writing all deficiencies in the work requiring correction. Correct the deficiencies identified. Working day charges will resume if these deficiencies are not corrected within 7 calendar days, unless otherwise authorized by the ENGINEER. Upon correction, the ENGINEER will make an inspection to verify that all deficiencies were corrected satisfactorily. The ENGINEER will provide written notice of the final acceptance.

3.03 SCHEDULING

- A. It shall be the CONTRACTOR'S responsibility to contact either the testing lab or the City of Pharr Engineering staff at least 48 hours before the required testing or inspection is to occur.
- B. It shall be the CONTRACTOR'S responsibility to plan the construction in such a manner to allow the appropriate tests and inspections to be conducted without disruption to the construction process.

3.04 PREPARATION

- A. CONTRACTOR shall be responsible for preparing the project site as necessary to conduct all required testing. This shall include, but may not be limited to: proper grading of construction site, completion of required compaction activities, complete installation of all forms, installation of all required reference points (grade stakes), provision of adequate traffic control, additional personnel and/or supplies and all necessary safety measures (i.e. OSHA compliant Trench Safety) as needed.

END OF SECTION

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SECTION 01555
TRAFFIC CONTROL AND REGULATION

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Traffic Control and Regulation

1.02 METHODS OF PAYMENT

- A. No separate payment will be made for traffic control and regulation. Include the cost of traffic control and regulation in unit price for work requiring such control.

1.03 REFERENCES

- A. Texas Manual of Uniform Traffic Control Devices (TMUTCD)
- B. Texas Department of Transportation (TxDOT) permit (if applicable)
- C. City of Laredo
- D. Webb County

1.04 PERFORMANCE REQUIREMENTS

- A. Provide all necessary signs, barricades, marking, lighting, and other equipment and supplies required to comply with the TMUTCD (and TxDOT permit, if applicable)
- B. Provide all necessary certified flagmen required to comply with the TMUTCD (and TxDOT, City, and/or County permit, if applicable)

PART 2 - PRODUCTS

- A. Equipment and materials must be furnished, installed and operated by an experienced contractor regularly engaged in traffic control system design, installation and operation.
- B. All equipment must be in good repair and operating order.
- C. Sufficient standby equipment and materials shall be kept available to ensure continuous operation, where required.

PART 3 - EXECUTION

- A. Provide labor, material, equipment, techniques and methods required to provide safe traffic control and regulation. Monitor effectiveness of the installed system and its effect on adjacent property.
- B. Notify, TxDOT, City and /or County as required by the permit(s) (if applicable).
- C. Provide continuous system operation, including nights, weekends and holidays. Arrange for appropriate backup if electrical power is primary energy source for traffic control system.
- D. Remove system(s) upon completion of construction or when traffic control is no longer required.

END OF SECTION

SECTION 01568

EROSION AND SEDIMENT CONTROL DURING CONSTRUCTION

PART 1 - GENERAL

1.01 WORK INCLUDED

- A. Furnish labor, materials, equipment and incidentals necessary to provide erosion and sediment control for the duration of the construction period including furnishing, installing and maintaining erosion and sediment control structures and procedures and the proper removal when no longer required.
- B. The intent of this specification is to provide guidelines for the Contractor to adhere to all State, Federal, and Local environmental regulations. It is also the intent to provide preventive measures to keep sediment from entering any storm water system, including open channels. It is the Contractor's responsibility to adhere to all State, Federal and Local requirements. While the Owner may require the Contractor to install erosion control devices during construction, this will in no way relieve the Contractor of his responsibility.

1.02 QUALITY ASSURANCE

- A. Comply with applicable requirements of all governing authorities having jurisdiction. The Specifications and the Plans are not represented as being comprehensive, but rather to convey the intent to provide complete slope protection and erosion control for both the Owner's and adjacent property.
- B. Erosion control measures shall be established at the beginning of construction and maintained during the entire length of construction. On-site areas which are subject to severe erosion and off-site areas which are especially vulnerable to damage from erosion and/or sedimentation are to be identified and receive additional erosion control measures as directed by the Owner or the Engineer.
- C. All land-disturbing activities shall be planned and conducted to minimize the size of the area to be exposed at any one time and to minimize the time of exposure.
- D. Surface water runoff originating upgradient of exposed area shall be controlled to reduce erosion and sediment loss during the period of exposure.
- E. When the increase in the peak rates and velocity of storm water runoff resulting from a land-disturbing activity is sufficient to cause accelerated erosion of the receiving ditch or stream, the Contractor shall install measures to control both the velocity and rate of release so as to minimize accelerated erosion and increased sedimentation of the stream as directed by the Owner or the Engineer.
- F. All land-disturbing activities shall be planned and conducted so as to minimize off-site sedimentation damage.
- G. The Contractor shall be responsible for periodically cleaning out and disposing of all sediment once the storage capacity of the drainage feature or structure receiving the sediment is reduced by one-half. The Contractor shall also be responsible for cleaning out and disposing of all sediment at the time of completion of the Work.

1.03 SUBMITTALS

- A. Submittals shall be in accordance with Section 01300-Submittals, and shall include:
 - 1. Manufacturer's Literature: Descriptive data of installation methods and procedures.
 - 2. Certificates: Manufacturer's certification that materials meet specification requirements.

1.04 JOB CONDITIONS AND ORDINANCES

- A. Comply with the local ordinances. If local ordinances require *more* stringent or additional erosion and sediment control measures during construction, Contractor shall provide such measures.

1.05 MEASUREMENT

- A. The work as provided for by this specification shall be measured as lump sum or as noted on the bid request. When not line item is included in the Bid Proposal, this work shall be considered incidental to the completion of the project and no additional compensation shall be paid for this work.

1.06 PAYMENT

- A. When shown in the proposal, the work as prescribed for in this specification shall be paid for labor, tools, equipment, excavation, backfilling, materials, and incidentals necessary to complete the work.

PART 2 - PRODUCTS

2.01 MATERIALS

- A. STRAW BALES: Straw bales shall weigh a minimum of fifty (50) pounds and shall be at least 30" in length. Bales shall be composed entirely of vegetable matter and be free of seeds. Binding shall be either wire or nylon string. Jute or cotton binding is unacceptable. Bales shall be used for not more than three months before being replaced. However, if weather conditions cause biological degradation of the straw bales, they shall be replaced sooner than the three month time period to prevent a loss of structural integrity of the dike.
- B. SILT FENCE: Silt fence fabric shall be a nylon reinforced polypropylene fabric which has a built-in cord running the entire length of the top edge of the fabric. The fabric must meet the following minimum criteria:
 - 1. Tensile Strength, ASTM D4632 90 lbs.
 - 2. Puncture Rating, ASTM D4833 60 lbs.
 - 3. Mullen Burst Rating, ASTM D3786 200 psi.
 - 4. Apparent Opening Size, U.S. Sieve No. 40
 - 5. Silt fence shall be "Enviro Fence" preassembled silt fence, AMXCO Silt Stop prefabricated silt fence, AMOCO Style 2155 preassembled silt fence or approved equal.
- C. SILT FENCE POSTS: A minimum 2" x 2" (nominal) x 54" pressure treated wood posts of Number 2 Grade southern yellow pine or approved equal.

- D. SAND BAG: Sand bag material shall be polypropylene, polyethylene, polyamide or cotton burlap woven fabric, minimum unit weight four (4) ounces per square yard, mullen burst strength exceeding 300 psi and ultraviolet stability exceeding 70%. Length shall be 24 to 30 inches, width shall be 16 to 18 inches and thickness shall be six (6) to eight (8) inches and having an approximate weight of 40 pounds. Sand bags shall be filled with coarse grade sand, free from deleterious material. All sand shall pass through a No. 10 sieve.
- E. P.V.C. PIPE: Pipe shall be SDR-35 polyvinyl chloride having a minimum nominal internal diameter of 4". Pipes shall be sized for anticipated flows.
- F. SOIL RETENTION BLANKET: Soil retention blankets shall consist of a geocomposite of excelsior or fiber blanket with an extruded plastic net attached to the top side. The plastic net shall be photodegradable and the excelsior or fiber blanket shall be made smolder resistant without the use of chemicals. Soil retention blankets shall be high velocity type to resist severe runoff. The soil retention blanket shall be one (1) of the following classes and types:
 - 1. Class 1. "Slope Protection"
 - a. Type A. Slopes of 3:1 or flatter-Clay soils
 - b. Type B. Slopes of 3:1 or flatter - Sandy soils
 - c. Type C. Slopes steeper than 3:1 - Clay soils
 - d. Type D. Slopes steeper than 3:1 - Sandy soils
 - 2. Class 2. "Flexible Channel Liner"
 - a. Type E. Short-term duration (Up to 2 Years) Shear Stress (t_d) <1.0 lb./sq. ft.
 - b. Type F. Short-term duration (Up to 2 Years) Shear Stress (t_d) 1.0 to 2.0 lb./sq. ft.
 - c. Type C. Long-term duration (Longer than 2 Years) Shear Stress (t_d) > 2.0 to < 5.0 lb./sq. ft.
 - d. Type H. Long-term duration (Longer than 2 Years) Shear Stress (t_d) greater than 0 Equal to 5.0 lb./sq. ft.
 - 3. The Contractor has the option of selecting an approved soil retention blanket provided that selection conforms to the following list of approved soil retention blankets for slope protection applications:
 - a. CLASS I. SLOPE PROTECTION
 - 1) TYPE A: Slopes of 3:1 or Flatter- Clay Soils
 - a) Airtrol® ANTI-WASH®/GEOJUTE® (Regular)
 - b) Contech Standards®
 - c) Contech Standards Plus®
 - d) Green Triangle Regular®
 - e) Green Triangle Superior®
 - f) GREENSTREAK® PEC MAT
 - g) Curlex®
 - h) North American Green® S150
 - i) North American Green® S75
 - j) North American Green® SC 150
 - k) POLYJUTE® 407/GT
 - l) SOIL SAVER®
 - m) TerraJute®
 - n) Verdyol® ERO-MAT®
 - o) Xcel Superior®

- 2) TYPE B: Slopes of 3:1 or Flatter-Sandy Soils
 - a) Contech Standards®
 - b) Contech Standards Plus®
 - c) GEOCOIR®/DEKOWE® 700
 - d) Green Triangle Superior®
 - e) Green Triangle Regular®
 - f) North American Green® 575
 - g) North American Green® SC 150
 - h) North American Green® S150
 - i) POLYJUTEO 407/CT
 - j) TerraJute®
 - k) Verdyol® ERO-MAT®
 - l) Xcel Superior®
 - m) Xcel Regular®
- 3) TYPE C: Slopes Steeper than 3:1-Clay Soils
 - a) Airtrol®
 - b) ANTI-WASH®/GEOJUTE® (Regular)
 - c) Contech Standards Plus®
 - d) Curlex®
 - e) Green Triangle Superior®
 - f) GREENSTREAK® PEC-MAT
 - g) North American Green® SC 150
 - h) North American Green® S150
 - i) POLYJUTEO 407/CT
 - j) SOIL SAVER®
 - k) TerraJute®
 - l) Xcel Superior®
- 4) TYPE D: Slopes Steeper than 3:1-Sandy Soils
 - a) Contech Standards Plus®
 - b) GEOCOIR®/DEKOWE®700
 - c) Green Triangle Superior®
 - d) North American Green®S150
 - e) North American Green®SC150
 - f) POLYJUTEO 407GT
 - g) TerraJute®
 - h) Xcel Superior®

b. CLASS II: FLEXIBLE CHANNEL LINER PROTECTION

PART 3 - EXECUTION

3.01 PREPARATION

- A. Contractor shall prepare the site for installation of the erosion and sediment control devices in accordance with the manufacturer's recommendations when applicable. At all times, CONTRACTOR, shall take extreme care during the installation of the applicable devices to minimize disturbance of the project site.

3.02 INSTALLATION

A. TEMPORARY STRAW BALE DIKE

1. Straw bales shall be embedded a minimum of 4" and securely anchored using 2" x 2" wood stakes driven through the bales into the ground a minimum of 6". Straw bales are to be placed directly adjacent to one another leaving no gap between them.

2. Bales shall be placed in a single row, lengthwise on proposed line, with ends of adjacent bales tightly abutting one another. In swales and ditches, the barrier shall extend to such a length that the bottoms of the end bales are higher in elevation than the top of the lowest middle bale. Additional bales shall be placed behind the first row where the bales abut each other. The additional bale is used to prevent unfiltered runoff from escaping between the bales.
3. The-excavated soil shall be backfilled against the barrier. Backfill shall conform to ground level on the downhill side and shall be built up to 4" above ground level on the uphill side. Loose straw shall be scattered over the area immediately uphill from a straw barrier.

B. SILT FENCE

1. The purpose of a silt fence is to intercept and detain water-borne sediment from unprotected areas to a limited extent. The Contractor shall excavate a 6 inch wide by 6 inch deep trench for site fence bedding along the lower perimeters of the site where necessary to prevent sediment from entering any drainage system. The Contractor shall install the silt fence in accordance with the manufacturer's recommendations and instructions. Silt fence is used during the period of construction near the perimeter of a disturbed area to intercept sediment while allowing water to percolate through. This fence shall remain in place until the disturbed area is permanently stabilized. Silt fence should not be used where there is a concentration of water in a channel or drainage way or where soil conditions prevent a minimum toe-in depth of 6" or installation of support post to depth of 12". Fabric shall overlap at abutting ends a minimum of 3' and shall be jointed such that no leakage or bypass occurs. If concentrated flow occurs after installation, corrective action must be taken such as placing rock berm in the areas of concentrated flow.

C. SAND BAG BERM

1. The purpose of a sandbag berm is to intercept sediment-laden water from disturbed areas such as construction in stream beds, create a retention pond, detain sediment and release water in sheet flow.
2. A temporary sand bag berm shall be installed across a channel or right of way in a developing or disturbed area and should be used when the contributing drainage area is greater than 5 acres. The berm shall be a minimum height of 18", measured from the top of the existing ground at the upslope toe to the top of the berm. The berm shall be sized to have a minimum width of 48" measured at the bottom of the berm and 18" measured at the top of the berm.
3. The sand bag berm shall be inspected after each rain. The sand bags shall be reshaped or replaced as needed during inspection. Additional inspections shall be made daily by the responsible party and when the silt reaches 6", the accumulated silt shall be removed and disposed of at an approved site in a manner that will not contribute to additional siltation. The sand bag berm shall be left in place until all upstream areas are stabilized and accumulated silt removed; removal must be done by hand.

D. SOIL RETENTION BLANKETS

1. A soil retention blanket (SRB) is a geotextile or biodegradable fabric placed over disturbed areas to limit the effects of erosion due to rainfall impact and runoff across barren soil. Soil retention blankets are manufactured by a wide variety of vendors addressing a wide variety of conditions such as vegetation establishment and high velocity flow. Blankets are used in areas which are difficult to stabilize such as steep slopes, drainage swales or high pedestrian traffic areas.

2. The soil retention blanket, whether installed as slope protection or as flexible channel liner, shall be placed within 24 hours after seeding or sodding operations have been completed, or as approved by the Engineer. Prior to placing the blanket, the area to be covered shall be relatively free of all rocks or clods over 1-1/2" in maximum dimension and all sticks or other foreign material which will prevent the close contact of the blanket with the soil. The area shall be smooth and free of ruts and other depressions. If as a result of rain, the prepared bed becomes crusted or eroded or if any eroded places, ruts or depressions exist for any reason, the Contractor shall be required to rework the soil until it is smooth and to reseed or resod the area at the Contractor's expense.
3. Installation and anchorage of the soil retention blanket shall be in accordance with the manufacturer's recommendations.

E. PROTECTION OF BARE AREAS

1. Apply seeding and soil retention blanket to bare areas including new embankment areas, fills, stripped areas, graded areas or otherwise disturbed areas, which have a grade greater than 5% or which will be exposed for more than 30 days.
2. Bare working areas on which it is not practical or desirable to install seeding and soil retention blankets, as determined by the Engineer, such as areas under proposed building slabs, shall be temporarily sloped to drain at a minimum of 0.2% and a maximum of 5% grade. These areas shall then be "track walked" with a crawler dozer traveling up and down the slope to form the effect of small "terraces" with the tracks of the dozer. Apply a minimum of three (3) coverages to each area with the dozer tracks,
3. Route runoff from the areas through the appropriate silt fence system.
4. Protect earth spoil areas by "trackwalking" and silt fences.

F. INTERCEPTOR SWALE

1. Interceptor swales may have a v-shape or be trapezoidal with a flat bottom and side slopes of 3:1 or flatter. These are used to shorten the length of exposed slope by intercepting runoff and can also serve as perimeter swales preventing off-site runoff from entering the disturbed area or prevent sediment-laden runoff from leaving the construction site or disturbed area. The outflow from a swale must be directed to a stabilized outlet or sediment trapping device. The swales should remain in place until the disturbed area is permanently stabilized.
2. Stone Stabilization shall be used when grades exceed 2% or velocities exceed 6 feet per second and shall consist of a layer of crushed stone 3" thick, or flexible channel liner soil retention blankets. Stabilization shall extend across the bottom of the swale and up both sides of the channel to minimum height of 6 inches above the design water surface elevation based on a two year storm.
3. An interceptor swale shall be installed across exposed slopes during construction and should intercept no more than five (5) acres of runoff. Swales shall have a minimum bottom width of 2'-0" and a maximum depth of 1'-6" with side slopes of 3 :1 or flatter. Swale must have positive drainage for its entire length to an outlet. When the slope exceeds 3%, or velocities exceed 4 feet per second (regardless of slope), stone stabilization is required. Check dams are also recommended to reduce velocities in the swales possibly reducing the amount of stabilization necessary. Swales should be inspected on a weekly basis during wet weather and repairs should be made promptly to maintain a consistent cross section.
4. All trees, brush, stumps, obstructions and other material shall be removed and disposed of so as not to interfere with the proper functioning of the swale.

5. The swale shall be excavated or shaped to line, grade, and cross-section as required to meet criteria specified herein and be free of bank projections or other irregularities which will impede normal flow.
6. All earth removed and not needed in construction shall be disposed of in an approved spoils site so that it will be conveyed to a sediment trapping device.
7. Diverted runoff from a disturbed or exposed upland area shall be conveyed to a sediment trapping device.
8. The on-site location may need to be adjusted to meet field conditions in order to utilize the most suitable outlet.
9. Minimum compaction for the swale shall be 90% standard proctor.

G. LOCATION OF EROSION AND SEDIMENT CONTROL STRUCTURES

1. Locate erosion and sediment control structures as required to prevent erosion and removal of sediment from the project site. Silt fences shall be required for disturbed areas and soil stockpiles/spoil areas. Each silt fence installation shall have a minimum net length (exclusive of embedments into diversion dikes or other ineffective areas) of 25 feet. The runoff from a maximum of one (1) acre of disturbed area or soil stockpile/ spoil area shall be routed through any individual silt fence installation.
2. Install diversion dikes to divert runoff to the silt fence installation.
3. Install silt traps at the inlet (upstream) end of the drainage structures, including open channels, through which runoff from disturbed areas or soil stockpiles/spoil areas may drain.
4. Provide an overall erosion and sediment control system which protects disturbed areas and soil stockpiles/spoil areas. The system shall be modified by the Contractor from time to time to effectively control erosion and sediment during construction.

3.03 MAINTENANCE

- A. Maintain erosion and sediment control structures and procedures in full working order at all times during construction. This shall include any necessary repair or replacement of items which have become damaged or ineffective. Remove sediment on a regular basis which accumulates in sediment control devices and place the material in approved earth spoil areas or return the material to the area from which it eroded.
- B. Upon completion of construction, properly remove the temporary erosion and sediment control structures and complete the area as indicated.
- C. Soil retention blankets will not require removal if installed on a finished graded area specified to receive seeding.

3.04 FIELD QUALITY CONTROL

- A. In the event of conflict between the requirements and storm water pollution control laws, rules or regulations or other Federal, State or Local agencies, the more restrictive laws, rules or regulations shall apply.

END OF SECTION

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SECTION 01572
SOURCE CONTROLS FOR EROSION AND SEDIMENTATION

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Description of erosion and sediment control and other control-related practices which shall be utilized during construction activities.

1.02 UNIT PRICES

- A. No separate payment will be made for work performed under this Section. Include cost of work performed under this Section in pay items of which this work is a component.

PART 2 - PRODUCTS - NOT USED

PART 3 - EXECUTION

3.01 PREPARATION AND INSTALLATION

- A. No clearing and grubbing or rough cutting shall be permitted until erosion and sediment control systems are in place, other than site work specifically directed by the Resident Project Representative to allow soil testing and surveying.
- B. Equipment and vehicles shall be prohibited by the Contractor from maneuvering on areas outside of dedicated rights-of-way and easements for construction. Damage caused by construction traffic to erosion and sediment control systems shall be repaired immediately by the Contractor.
- C. The Contractor shall be responsible for collecting, storing, hauling, and disposing of spoil, silt, and waste materials as specified in this or other Specifications and in compliance with applicable federal, state, and local rules and regulations.
- D. Contractor shall conduct all construction operations under this Contract in conformance with the erosion control practices described in the SWPPP, Drawings, and this Specification.
- E. The Contractor shall install, maintain, and inspect erosion and sediment control measures and practices as specified in the SWPPP, Drawings, and in this or other Specifications.

3.02 TOPSOIL PLACEMENT FOR EROSION AND SEDIMENT CONTROL SYSTEMS

- A. When topsoil is specified as a component of another Specification, the Contractor shall conduct erosion control practices described in this Specification during topsoil placement operations.
 - 1. When placing topsoil, maintain erosion and sediment control systems, such as swales, grade stabilization structures, berms, dikes, waterways, and sediment basins.
 - 2. Maintain grades which have been previously established on areas to receive topsoil.
 - 3. After the areas to receive topsoil have been brought to grade, and immediately prior to dumping and spreading the topsoil, loosen the subgrade by discing or by scarifying to a depth of at least 2 inches to permit bonding of the topsoil to the subsoil.
 - 4. No sod or seed shall be placed on soil which has been treated with soil sterilants until sufficient time has elapsed to permit dissipation of toxic materials.

3.03 SEDIMENT CONTROL MAINTENANCE

- A. All erosion, sediment, and water pollution controls will be maintained in good working order. A rain gauge provided by the Contractor shall be located on the project site. Within 24 hours of a rainfall event of 0.5 inches or more as measured by the project rain gauge, the Contractor and the Resident Project Representative shall inspect the entire project to determine the condition of the control measures. Sediment shall be removed and devices repaired as soon as practicable but no later than 7 days after the surrounding ground has dried sufficiently to prevent further damage from equipment operations needed for repairs.
- B. In the event of continuous rainfall over a 24 hour period, or other circumstances that preclude equipment operation in the area, the Contractor shall install additional backup storm water pollution control devices, as determined by the Resident Project Representative, by other appropriate methods. The Contractor shall remove sediment accumulations and deposit the spoils in an area approved by the Resident Project Representative as soon as practical and in accordance with the SWPPP. Any corrective action needed for the control measures is to be accomplished in the sequence directed by the Resident Project Representative; however, areas adjacent to receiving waters shall generally have priority, followed by devices protecting storm sewer inlets.

3.04 DUST CONTROL

- A. Implement dust control methods to control dust creation and movement on construction sites and roads and to prevent airborne sediment from reaching receiving streams or storm water conveyance systems, to reduce on-site and off-site damage, to prevent health hazards, and to improve traffic safety.
- B. Control blowing dust by using one or more of the following methods:

1. Mulches bound with chemical binders.
 2. Temporary vegetative cover.
 3. Spray-on adhesives on mineral soils when not used by traffic.
 4. Tillage to roughen surface and bring clods to the surface.
 5. Irrigation by water sprinkling.
 6. Barriers using solid board fences, snow fences, burlap fences, crate walls, bales of straw, or similar materials.
- C. Implement dust control methods immediately whenever dust can be observed blowing on the project site.

3.05 KEEPING STREETS CLEAN

- A. Keep streets clean of construction debris and mud carried by construction vehicles and equipment. If necessary to keep the streets clean, install stabilized construction exits at construction, staging, storage, and disposal areas. A vehicle/equipment wash area (stabilized with coarse aggregate) may be installed adjacent to the stabilized construction exit, as needed. Release wash water into a drainage swale or inlet protected by erosion and sediment control measures.
- B. In lieu of or in addition to stabilized construction exits, shovel or sweep the pavement to the extent necessary to keep the street clean. Water hosing or sweeping of debris and mud off of the street into adjacent areas is not allowed.

3.06 EQUIPMENT MAINTENANCE AND REPAIR

- A. Confine maintenance and repair of construction machinery and equipment to areas specifically designated for that purpose. Locate such areas so that oils, gasoline, grease, solvents, and other potential pollutants cannot be washed directly into receiving streams or storm water conveyance systems. Provide these areas with adequate waste disposal receptacles for liquid as well as solid waste. Clean and inspect maintenance areas daily.
- B. On a construction site where designated equipment maintenance areas are not feasible, take precautions during each individual repair or maintenance operation to prevent potential pollutants from washing into streams or conveyance systems. Provide temporary waste disposal receptacles.

3.07 WASTE COLLECTION AND DISPOSAL

- A. Contractor shall formulate and implement a plan for the collection and disposal of waste materials on the construction site. In plan, designate locations for trash and waste receptacles and establish a collection schedule. Methods for ultimate disposal of waste shall be specified and carried out in accordance with applicable local, state, and federal health and safety regulations. Make special provisions for the collection and disposal of liquid wastes and toxic or hazardous materials.
- B. Keep receptacles and waste collection areas neat and orderly to the extent possible. Waste shall not be allowed to overflow its container or accumulate from day-to-day. Locate trash collection points where they will least likely be affected by concentrated storm water runoff.

3.08 WASHING AREAS

- A. Vehicles such as concrete delivery trucks or dump trucks and other construction equipment shall not be washed at locations where the runoff will flow directly into a watercourse or storm water conveyance system. Designate special areas for washing vehicles. Locate these areas where the wash water will spread out and evaporate or infiltrate directly into the ground, or where the runoff can be collected in a temporary holding or seepage basin. Beneath wash areas construct a gravel or rock base to minimize mud production.

3.09 STORAGE OF CONSTRUCTION MATERIALS AND CHEMICALS

- A. Isolate sites where chemicals, cements, solvents, paints, or other potential water pollutants are stored in areas where they will not cause runoff pollution.
- B. Store toxic chemicals and materials, such as pesticides, paints, and acids in accordance with manufacturers' guidelines. Protect groundwater resources from leaching by placing a plastic mat, packed clay, tar paper, or other impervious materials on any areas where toxic liquids are to be opened and stored.

3.10 DEMOLITION AREAS

- A. Demolition activities which create large amounts of dust with significant concentrations of heavy metals or other toxic pollutants shall use dust control techniques to limit transport of airborne pollutants. However, water or slurry used to control dust contaminated with heavy metals or toxic pollutants shall be retained on the site and shall not be allowed to run directly into watercourses or storm water conveyance systems. Methods of ultimate disposal of these materials shall be carried out in accordance with applicable local, state, and federal health and safety regulations.

3.11 SANITARY FACILITIES

- A. Provide and maintain sanitary facilities for persons on the job site; comply with the regulations of State and local departments of health.

- B. Enforce the use of sanitary facilities by construction personnel at the job site. Such facilities shall be enclosed. Pit-type toilets will not be permitted. No discharge will be allowed from these facilities. Collect and store sewage and waste so as not to cause a nuisance or health problem; have sewer and waste hauled off-site and properly disposed in accordance with City regulations.
- C. Located toilets near the Work site and secluded from view insofar as possible. Keep toilets clean and supplied throughout the course of the Work.

3.12 PESTICIDES

- A. Use and store pesticides during construction in accordance with manufacturers' guidelines and with local, state, and federal regulations. Avoid overuse of pesticides which could produce contaminated runoff. Take great care to prevent accidental spillage. Never wash pesticide containers in or near flowing streams or storm water conveyance systems.

END OF SECTION

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SECTION 01576
WASTE MATERIAL DISPOSAL

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Disposal of waste material and salvageable material.

1.02 UNIT PRICES

- A. No separate payment will be made for waste material disposal under this Section. Include payment in unit price for related sections.

1.03 SUBMITTALS

- A. Submittals shall conform to requirements of Section 01330 - Submittal Procedures.
- B. Obtain and submit disposal permits for proposed disposal sites if required by federal, state and local ordinances.
- C. Submit a copy of written permission from property owner, along with description of property, prior to disposal of excess material.

PART 2 - PRODUCTS - NOT USED

PART 3 - EXECUTION

3.01 SALVAGEABLE MATERIAL

- A. Excavated Material: When indicated on Drawings, load, haul, and deposit excavated material at a location or locations shown on Drawings outside the limits of Project.
- B. Other Salvageable Materials: Conform to requirements of individual Specification Sections.

3.02 EXCESS MATERIAL

- A. Vegetation, rubble, broken concrete, debris, asphaltic concrete pavement, excess soil, and other materials not designated for salvage, shall become the property of Contractor and shall be removed from the job site and legally disposed of.
- B. Waste materials shall be removed from the site on a daily basis, such that the site is maintained in a neat and orderly condition.

END OF SECTION

SECTION 01610
BASIC PRODUCT REQUIREMENTS

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Requirements for transportation, delivery, handling, and storage of materials and equipment.

1.02 PRODUCTS

- A. Products: Means material, equipment, or systems forming the Work. Does not include machinery and equipment used for preparation, fabrication, conveying and erection of the Work. Products may also include existing materials or components designated for reuse.
- B. Do not reuse materials and equipment, designated to be removed, except as specified by the Contract Documents.
- C. Provide equipment and components from the fewest number of manufacturers as is practical,
- D. in order to simplify spare parts inventory and to allow for maximum interchangeability of components. For multiple components of the same size, type or application, use the same make and model of component throughout the project.

1.03 TRANSPORTATION

- A. Make arrangements for transportation, delivery, and handling of equipment and materials required for timely completion of the Work.
- B. Transport and handle products in accordance with instructions.
- C. Consign and address shipping documents to the proper party giving name of Project and street address. Shipments shall be delivered to the Contractor.

1.04 DELIVERY

- A. Arrange deliveries of products to accommodate the short term site completion schedules and in ample time to facilitate inspection prior to installation. Avoid deliveries that cause unnecessarily lengthy use of limited storage space.
- B. Coordinate deliveries to avoid conflict with Work and conditions at the site and to accommodate the following:
 - 1. Work of other contractors or the Owner.
 - 2. Limitations of storage space.
 - 3. Availability of equipment and personnel for handling products.

4. Owner's use of premises.
- C. Have products delivered to the site in manufacturer's original, unopened, labeled containers.
- D. Immediately upon delivery, inspect shipment to assure:
 1. Product complies with requirements of Contract Documents.
 2. Quantities are correct.
 3. Containers and packages are intact; labels are legible.
 4. Products are properly protected and undamaged.

1.05 PRODUCT HANDLING

- A. Coordinate the off-loading of materials and equipment delivered to the job site. If necessary to move stored materials and equipment during construction, Contractor shall relocate materials and equipment at no additional cost to the Owner.
- B. Provide equipment and personnel necessary to handle products, including those provided by the Owner, by methods to prevent damage to products or packaging.
- C. Provide additional protection during handling as necessary to prevent breaking, scraping, marring, or otherwise damaging products or surrounding areas.
- D. Handle products by methods to prevent over bending or overstressing.
- E. Lift heavy components only at designated lifting points.
- F. Handle materials and equipment in accordance with Manufacturer's recommendations.
- G. Do not drop, roll, or skid products off delivery vehicles. Hand carry or use suitable materials handling equipment.

1.06 STORAGE OF MATERIAL

- A. Store and protect materials in accordance with manufacturer's recommendations and requirements of these Specifications.
- B. Make necessary provisions for safe storage of materials and equipment. Place loose soil materials, and materials to be incorporated into the Work to prevent damage to any part of the Work or existing facilities and to maintain free access at all times to all parts of the Work and to utility service company installations in the vicinity of the Work. Keep materials and equipment neatly and compactly stored in locations that will cause a minimum of inconvenience to other contractors, public travel, adjoining owners, tenants, and occupants. Arrange storage in a manner to provide easy access for inspection.
- C. Restrict storage to areas available on the construction site for storage of material and equipment as shown on Drawings or approved by the Resident Project Representative.

- D. Provide off-site storage and protection when on-site storage is not adequate.
- E. Do not use lawns, grass plots, or other private property for storage purposes without written permission of the owner and other person in possession or control of such premises.
- F. Protect stored materials and equipment against loss or damage.
- G. Store in manufacturers' unopened containers.
- H. Materials delivered and stored along the line of the Work shall be neatly, safely, and compactly stacked along the work site in such manner as to cause the least inconvenience and damage to property owners and the general public, and shall be not closer than 3 feet to any fire hydrant. Public and private drives and street crossings shall be kept open.
- I. Damage to lawns, sidewalks, streets or other improvements shall be repaired or replaced to the satisfaction of the Resident Project Representative. The total length which materials may be distributed along the route of construction at any one time is 1000 lineal feet, unless otherwise approved in writing by the Resident Project Representative.

PART 2 - PRODUCTS - NOT USED

PART 3 - EXECUTION - NOT USED

END OF SECTION

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SECTION 01740

WARRANTIES

PART 1 - GENERAL

1.01 SCOPE OF WORK

- A. This section specifies general administrative and procedural requirements for warranties required by the Contract Documents, including manufacturer's standard warranties on products and special warranties.

1.02 SUBMITTAL REQUIREMENTS

- A. Submit written warranties to the OWNER prior to the date fixed by the Engineer for Substantial Completion. If the Certificate of Substantial Completion designates a commencement date for warranties other than the date of Substantial Completion for the work, or a designated portion of the work, submit written warranties upon request of the Owner.
- B. Assemble warranties, service, and maintenance contracts, executed by each of the respective manufacturers, suppliers, and subcontractors.
- C. Number of original signed copies required: Two (2) each.
- D. Table of Contents: Neatly types, in orderly sequence. Provide complete information for each item.
 - 1. Product or work item.
 - 2. Firm, with name of principal, address and telephone number.
 - 3. Scope.
 - 4. Date of beginning of warranty, service, or maintenance contract.
 - 5. Duration of warranty, or service maintenance contract.
 - 6. Provide information for Owner's personnel:
 - a. Proper procedure in case of failure.
 - b. Instances which might affect the validity of warranty.
 - 7. Contractor, name of responsible principal, address and telephone number.

1.03 FORMS OF SUBMITTALS

- A. Prepare in duplicate packets.
- B. Format:
 - 1. Size 8-1/2 inches x 11 inches, punch sheets for standard 3-post binder.
 - a. Fold larger sheets to fit into binders.
 - 2. Cover: Identify each packet with typed or printed title 'WARRANTIES'. List:
 - a. Title of Project.
 - b. Name of Contractor.

3. Binders: Commercial quality, three-post binder, with durable and cleanable plastic covers and maximum post width of 2 inches.

1.04 WARRANTY SUBMITTAL REQUIREMENTS

- A. For all major pieces of equipment, submit a warranty from the equipment manufacturer. The manufacturer's warranty period shall be concurrent with the Contractor's for two (2) years, unless otherwise specified, commencing at the time of final acceptance by the Owner.
- B. The Contractor shall be responsible for obtaining certificates for equipment warranty for all major equipment specified under Divisions 11, 13, 14, 15 and 16 and which has a 1 HP motor or which lists for more than \$1,000. The Engineer reserves the right to request warranties for equipment not classified as major. The Contractor shall still warrant equipment not considered to be "major" in the Contractor's once-year warranty period even though certificates of warranty may not be required.
- C. For certain pieces of equipment, the OWNER may require a warranty greater than two (2) years. The requirement for a two-year warranty shall be specified in individual sections of the Specifications.

1.05 WARRANTY REQUIREMENTS

- A. Related Damages and Losses: When correcting warranted work that has failed, remove and replace other work that has been damaged as a result of such failure or that must be removed and replaced to provide access for correction of warranted work.
- B. Reinstatement of Warranty: When work covered by a warranty has failed and been corrected by replacement or rebuilding, reinstate the warranty by written endorsement. The reinstated warranty shall be equal to the original warranty with an equitable adjustment for depreciation.
- C. Replacement Cost: Upon determination that work covered by a warranty has failed, replace, or rebuild the work to an acceptable condition complying with requirements of Contract Documents. The Contractor's is responsible for the cost of replacing or rebuilding defective work regardless of whether the Owner has benefited from use of the work through a portion of its anticipated useful service life.
- D. Owner's Recourse: Written warranties made to the Owner are in addition to implied warranties, and shall not limit the duties, obligations, rights and remedies otherwise available under the law, nor shall warranty periods be interpreted as limitations on time in which the OWNER can enforce such other duties, obligations, rights, or remedies.
- E. Rejection of Warranties: The Owner reserves the right to reject warranties and to limit selections to products with warranties not in conflict with requirements of the Contract Documents.
- F. The Owner reserves the right to refuse to accept work for the project where a special warranty, certification, or similar commitment is required on such work or part of the work, until evidence is presented that entities required to countersign such commitments are willing to do so.
- G. Disclaimers and Limitations: Manufacturer's disclaimers and limitation on product warranties do not relieve the Contractor of the warranty on the work that incorporates the products, nor does it relieve suppliers, manufacturers and subcontractors required to countersign special warranties with the Contractor.

PART 2 PRODUCTS – NOT USED

PART 3 EXECUTION - NOT USED

END OF SECTION

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SECTION 01770

CLOSEOUT PROCEDURES

PART 1 - GENERAL

1.1 SECTION INCLUDES

- A. Closeout procedures including final submittals such as operation and maintenance data, warranties, and spare parts and maintenance materials.

1.2 CLOSEOUT PROCEDURES

- A. Comply with the Contract Documents regarding Final Completion and Final Payment when Work is complete and ready for Engineer's final inspection.
- B. Provide Project Record Documents in accordance with Section 01785.
- C. Complete or correct items on punch list, with no new items added. Any new items will be addressed during warranty period.
- D. The Owner will occupy portions of the Work as specified in other Sections.

1.3 FINAL CLEANING

- A. Execute final cleaning prior to final inspection.
- B. For facilities, clean interior and exterior glass and surfaces exposed to view; remove temporary labels, stains and foreign substances, polish transparent and glossy surfaces, vacuum carpeted and soft surfaces.
- C. Clean equipment and fixtures to a sanitary condition.
- D. Clean or replace filters of operating equipment.
- E. Clean debris from roofs, gutters, downspouts, and drainage systems.
- F. Clean site; sweep paved areas, rake clean landscaped surfaces.
- G. Remove waste and surplus materials, rubbish, and temporary construction facilities from the site following the final test of utilities and completion of the work.

1.4 ADJUSTING

- A. Adjust operating equipment to ensure smooth and unhindered operation.

1.5 OPERATION AND MAINTENANCE DATA

- A. Submit operations and maintenance data as noted in 01330 - Submittal Procedures.

1.6 WARRANTIES

- A. Provide one original of each warranty from Subcontractors, suppliers, and manufacturers.
- B. Provide Table of Contents and assemble warranties in 3-ring/D binder with durable plastic cover.
- C. Submit warranties prior to final Application for Payment.
- D. Warranties shall commence in accordance with the requirements in the Contract Documents.

1.7 SPARE PARTS AND MAINTENANCE MATERIALS

- A. Provide products, spare parts, maintenance and extra materials in quantities specified in individual Specification sections.

- B. Deliver to location within the Owner's jurisdiction as directed by Resident Project Representative; obtain receipt prior to final Application for Payment.

PART 2 - PRODUCTS - NOT USED

PART 3 - EXECUTION - NOT USED

END OF SECTION

SECTION 01785
PROJECT RECORD DOCUMENTS

PART 1 - GENERAL

1.01 SECTION INCLUDES

- A. Maintenance and Submittal of Project Record Documents and samples.

1.02 MAINTENANCE OF DOCUMENTS AND SAMPLES

- A. Maintain one record copy of documents at the site in accordance with the Contract Documents.
- B. Store Record Documents and samples in field office if a field office is required by Contract Documents, or in a secure location. Provide files, racks, and secure storage for Record Documents and samples.
- C. Label each document "PROJECT RECORD" in neat, large, printed letters.
- D. Maintain Record Documents in a clean, dry, and legible condition. Do not use Record Documents for construction purposes.
- E. Keep Record Documents and Samples available for inspection by Resident Project Representative.

1.03 RECORDING

- A. Record information concurrently with construction progress. Do not conceal any work until required information is recorded.
- B. Contract Drawings and Shop Drawings: Legibly mark each item to record all actual construction, or "as built" conditions, including:
 - 1. Measured depths of elements of foundation in relation to finish first floor datum.
 - 2. Measured horizontal locations and elevations of underground utilities and appurtenances, referenced to permanent surface improvements.
 - 3. Elevations of underground utilities referenced to bench mark utilized for project.
 - 4. Measured locations of internal utilities and appurtenances concealed in construction, referenced to visible and accessible features of construction.
 - 5. Field changes of dimension and detail.
 - 6. Changes made by modifications.
 - 7. Details not on original contract drawings.

- 8. References to related shop drawings and modifications.
- C. Record information with a red felt-tip marking pen on a set of blue or black line opaque drawings, provided by Engineer.

1.04 SUBMITTALS

- A. At contract closeout, deliver Project Record Documents to Engineer.

PART 2 - PRODUCTS - NOT USED

PART 3 - EXECUTION - NOT USED

END OF SECTION

SECTION 02601
FLEXIBLE BASE

PART I - GENERAL

1.01 GENERAL DESCRIPTION OF WORK:

- A. This work shall consist of furnishing and placing a foundation course for surface courses or for other base courses.
- B. Flexible base shall be composed of either caliche (argillaceous limestone, calcareous or calcareous clay particles, with or without stone, conglomerate, gravel, sand or other granular materials), crushed stone, gravel, iron ore topsoil, shell, or crushed slag.
- C. Flexible base shall be constructed as specified herein in one or more courses in conformance with the details, lines and grades shown on the plans, and as established by the ENGINEER.

PART 2 -PRODUCTS

2.01 MATERIALS:

- A. Materials for flexible base shall be crushed or uncrushed as necessary to comply with the requirements hereinafter specified.
- B. Materials shall consist of durable, coarse aggregate particles mixed with approved binding materials.

2.02 LIME STABILIZATION:

- A. Where shown on the plans, or directed by the ENGINEER, material for flexible base shall be lime stabilized in accordance with the provisions of Section 02240.

2.03 TYPES:

- A. Type A - Crushed or broken aggregate (excluding gravel aggregate).
- B. Type B - Gravel Aggregate
- C. Type F - Caliche

2.04 GRADES:

- A. Unless otherwise shown on the plans or directed by the ENGINEER, the final course of base material shall consist of Grades 1, 2, 3, or 4, as specified in Table 02601-1.
- B. Base courses or subbase materials, unless otherwise noted on the plans or directed by the ENGINEER, may consist of Grades 1, 2, 3, or 4, as specified in Table 02601-1.
- C. All grades shall, when tested in accordance with standard laboratory test procedures, meet the physical requirements set forth in Table 02601-1.
- D. Testing of flexible base materials shall be in accordance with the following test procedures:

<u>TEST</u>	<u>TESTING PROCEDURE</u>
Preparation for soil constants and sieve analysis	TEX-101-E
Liquid Limit	TEX-104-E
Plastic Limit	TEX-105-E
Plasticity Index	TEX-106-E
Sieve Analysis	TEX-110-E
Wet Ball Mill	TEX-116-E
Triaxial Test	TEX-117-E (Part I or II)

- E. Unless otherwise specified on the plans, samples for testing the material for Soil constants, Gradation and Wet Ball Mill shall be taken prior to the compaction operations.
- F. Unless otherwise specified on the plans, samples for triaxial tests shall be taken from the stockpile or from production, as directed by the ENGINEER, where stockpiling is required and from production where stockpiling is not required.

TABLE 02601-1

PHYSICAL REQUIREMENTS FOR FLEXIBLE BASE MATERIALS

TYPES		GRADES							
		Grade 1		Grade 2		Grade 3		Grade 4	
		Triaxial Class 1, Min. compressive strength, psi: 45 to 0 psi lateral pressure and 175 at 15 psi lateral pressure		(Triaxial Class 1 to 2.4) Min. compressive strength, psi: 35 to 0 psi lateral pressure and 175 at 15 psi lateral pressure		(Unspecified Triaxial Class)		(Unspecified Triaxial Class)	
TYPE A		Retained on Sq. Sieve	%	Retained on Sq. Sieve	%	Retained on Sq. Sieve	%	Retained on Sq. Sieve	%
Crushed or Broken Aggregate (excluding gravel aggregate)	1-3/4		0	1-3/4	0-10	1-3/4	0-10	As Shown on Plans	
	7/8"		10-35	No. 4	45-75	No. 40	60-85		
	3/8"		30-50	No. 40	60-85	Max LL	45		
	No. 4		45-65	Max LL	40	Max PI	15		
	No. 40		70-85	Max PI	12	Wet Ball			
	Max LL		35	Wet Ball		Bill Amt	55		
	Max PI		10	Wet Ball Bill Amt	40	Wet Ball Bill Amt	40		
	Wet Ball Bill Amt		40	Max Increase in Passing No. 40	20	Max Increase in Passing No. 40	20		
	Max Increase in Passing No. 40		20						
TYPE B		Retained on Sq. Sieve	%	Retained on Sq. Sieve	%	Retained on Sq. Sieve	%	Retained on Sq. Sieve	%
Gravel Aggregate	N/A			1-3/4	0-10	2-3/4"	0	As Shown on Plans	
				No. 4	30-75	No. 40	45-65		
				No. 40	70-85	Max LL	35		
				Max LL	35	Max PI	12		
				Max PI	12				
				Max PI	12	Max LL	35		
				No. 4	45-65	No. 40	45-65		
				No. 40	50-70	Max LL	35		
				Max LL	35	Max PI	12		
				Max PI	12				

TYPE F	Retained on Sq. Sieve	%	Retained on Sq. Sieve	%	Retained on Sq. Sieve	%	Retained on Sq. Sieve	%
Caliche	N/A		1-3/4	0	1-3/4	0	As Shown on Plans	
			No. 4	45-75	No. 40	50-85		
			No. 40	50-85	Max LL	40		
			Max LL	40	Max PI	12		
			Max PI	12				

G. Materials exhibiting reasonably close conformity with the specified gradation and plasticity index are defined by the following criteria:

1. The ENGINEER may accept the material, providing not more than 2 of 10 consecutive gradation tests performed are outside the specified limits on any individual or combination of sieves by no more than 5% and where no two consecutive tests are outside the specified limits.
2. The ENGINEER may accept the material providing not more than 2 of 10 consecutive plasticity index samples tested are outside the specified limit by no more than two points and where no two consecutive tests are outside the specified limit.

2.05 STOCKPILING:

- A. When specified on the plans, the material shall be stockpiled prior to delivery on the road. The stockpile shall be not less than the height indicated and shall be made up of layers of material not to exceed the depth shown on the plans.
- B. After a sufficient stockpile has been constructed as specified on the plans, the CONTRACTOR may proceed with loading from the stockpile for delivery to the road.
- C. In loading from the stockpile for delivery to the road, the material shall be loaded by making successive vertical cuts through the entire depth of the stockpile.
- D. If the CONTRACTOR elects to produce the Type A material from more than one material or more than one source, each material shall be crushed separately and placed in separate stockpiles so that at least 75 percent of the material in the course aggregate stockpiles will be retained on the No. 4 sieve and at least 70 percent of the material in the fine aggregate stockpile will pass the No. 4 sieve.
- E. The materials shall be combined in a central mixing plant in the proportions determined by the ENGINEER to produce a uniform mixture which meets all

of the requirements of the specification. In the event that combinations of the materials produced fail to meet all of the specification requirements, the CONTRACTOR will be required to secure other materials which will meet specifications requirements.

- F. The central mixing plant shall be of either the batch or continuous flow type, and shall be equipped with feeding and metering devices which will add the materials into the mixer in the specified quantities.
- G. Mixing shall continue until a uniform mixture is obtained.

PART 3 - EXECUTION

3.01 PREPARATION OF SUBGRADE:

- A. The roadbed shall be excavated and shaped in conformity with the typical sections shown on the plans and to the lines and grades as established by the ENGINEER.
- B. All unstable or otherwise objectionable material shall be removed from the subgrade and replaced with approved material.
- C. Flexible base shall not be placed until the Contractor has verified by proof rolling that the subgrade has been prepared and compacted in conformity with Standard Specification Item 02220, "Subgrade Preparation," to the typical sections, lines and grades indicated on the Drawings. Any deviation shall be corrected and proof rolled prior to placement of the flexible base material.
- D. All holes, ruts and depressions shall be filled with approved material and, if required, the subgrade shall be thoroughly wetted with water and reshaped and rolled to the extent directed in order to place the subgrade in an acceptable condition to receive the base material.
- E. The surface of the subgrade shall be finished to line and grade as established and in conformity with the typical section shown on plans. Any deviation in excess of 1/2 inch in cross section and in a length of 16-feet measured longitudinally shall be corrected by loosening, adding or removing material, reshaping and re-compacting by sprinkling and rolling.
- F. Sufficient subgrade shall be prepared in advance to insure satisfactory execution of the work.

- G. Material excavated in the preparation of the subgrade shall be utilized in the construction of adjacent shoulders and slopes or otherwise disposed of as directed. Any additional material required for the completion of the shoulders and slopes shall be secured from sources indicated on plans or as directed by the ENGINEER.

3.02 PLACEMENT OF FIRST COURSE - TYPE A, TYPE B, TYPE F MATERIAL:

- A. Immediately before placing the base material, the subgrade shall be checked as to conformity with grade and section.
- B. The material shall be delivered in approved vehicles of a uniform capacity, and it shall be the charge of the CONTRACTOR that the required amount of specified material shall be delivered to each 100-foot station.
- C. Material deposited upon the subgrade shall be spread and shaped the same day.
- D. In the event that inclement weather, or other unforeseen circumstances, renders the spreading of the material during the first 24-hour period impractical, the materials shall be scarified and spread as directed by the ENGINEER.
- E. Throughout the entire operation the material shall be sprinkled, if directed, and shall be maintained by blading and, upon completion, shall be smooth and shall conform to the typical section indicated on the Drawings and to the established lines and grades, shall then be bladed, dragged and shaped to conform to typical sections as shown on plans.
- F. Each lift shall be sprinkled as required to bring the material to optimum moisture content, then compacted to the extent necessary to provide not less than 95 percent nor more than 100 percent of the maximum dry density as determined in accordance with Test Method Tex-114-E. In addition to the requirements specified for density, the full depth of flexible base material shall be compacted to the extent necessary to remain firm and stable under construction equipment. After each section of flexible base material is completed, tests, as necessary, will be made by the Engineer or designated representative. As a minimum, three in-place density tests per section per day will be taken. If the material fails to meet the density requirements, it shall be reworked as necessary to meet these requirements.
- G. All areas and "nests" of segregated coarse or fine material shall be removed and replaced with well graded material, as directed by the ENGINEER.

- H. If additional binder is considered desirable or necessary after the material is spread and shaped, it shall be furnished and supplied in the amount directed by the ENGINEER. Such binder material shall be carefully and evenly incorporated with the material in place by scarifying, harrowing, brooming or by other approved methods.
- I. The course shall be compacted by methods of compaction hereinafter specified as the "Ordinary Compaction" method or the "Density Control" method of compaction as indicated on the plans, or as directed by the ENGINEER.
 - 1. When the "Ordinary Compaction" method is to be used, the following provisions shall apply:
 - a) The course shall be sprinkled as required and rolled with approved compaction equipment as directed until a uniform compaction is secured. Throughout this entire operation, the shape of the course shall be maintained by blading. Upon completion, the surface shall be smooth and in conformity with the typical sections shown on plans and the established lines and grades.
 - b) In the area on which pavement is to be placed, any deviation in excess of 1/4 inch in cross section and in a length of 16-feet measured longitudinally shall be corrected by loosening, adding or removing approved material, as required reshaping and re-compacting by sprinkling and rolling.
 - c) All irregularities, depressions and weak spots which develop in the laid course shall be corrected immediately by scarifying the areas affected, adding approved material as required, reshaping and recompacting by sprinkling and rolling.
 - 2. When the "Density Control" method of compaction is to be used, the following provisions shall apply:
 - a) The course shall be sprinkled as required and compacted to the extent necessary to provide not less than the percent density as hereinafter specified under "Density".
 - b) In addition to the requirement specified for density, the full depth of the flexible base shown on the plans shall be compacted to the extent necessary to remain firm and stable under construction equipment.
 - c) After each section of flexible base is completed, tests as necessary will be made by the ENGINEER. If the material fails to meet the density

requirements, it shall be reworked as necessary to meet these requirements.

- d) Throughout this entire operation, the shape of the course shall be maintained by blading, and the surface upon completion shall be smooth and in conformity with the typical sections shown on the plans and to the established lines and grades.
- e) In the areas on which pavement is to be placed, any deviation in excess of 1/4 inch in cross section and 16 feet in length, measured longitudinally, shall be corrected by loosening, adding or removing approved material as required, reshaping and recompacting by sprinkling and rolling.
- f) All irregularities, depressions, and weak spots which develop shall be corrected immediately by scarifying the areas affected, adding approved material as required, reshaping and recompacting by sprinkling and rolling. Should the base course, due to any reason or cause, lose the required stability, density or finish before the surfacing is complete; it shall be re-compacted and refinished at the sole expense of the CONTRACTOR.

3.03 PLACEMENT OF SUCCEEDING COURSES - ALL MATERIAL TYPES:

- A. Construction methods shall be the same as prescribed for the first course.
- B. Prior to placing the surfacing on the completed base, the base shall be "dry cured" to the extent directed by the ENGINEER.

3.04 REWORKING AN EXISTING BASE COURSE

- A. Existing base courses shall be reworked in accordance with TxDOT Item 251, or as directed by the ENGINEER, and result in a section that conforms the approved lines and grades.

3.05 DENSITY CONTROL:

- A. When the "Density Control" method of compaction is indicated on the plans, each course of flexible base shall be compacted to the percent density shown on the plans.
- B. The testing will be as outlined in Test Method Tex-114-E.
- C. It is the intent of this specification to provide that the part of the base included in the top 8 inches, immediately below the finished surface of the roadway, be

not less than 100 percent of the density, as determined by the compaction ratio method.

- D. Field density determination shall be made in accordance with Test Method Tex-115-E.

3.06 TOLERANCES:

- A. Flexible base will be measured by the square yard of surface area of completed and accepted work based on the thickness of flexible base as shown on the plans.
 - 1. The ENGINEER may accept the work providing not more than 25 percent of the density tests performed each day are outside the specified density by no more than three pounds per cubic foot and where no two consecutive tests on continuous work are outside the specified limits.

PART 4 - MEASUREMENT AND PAYMENT

4.01 MEASUREMENT:

- A. Flexible base will be measure by the square yard of surface area of completed and accepted work based on the thickness of flexible base as shown on the plans.
 - 1. The flexible base shall be measured for depth by the units of 2,000 square yards minimum, with one measurement taken at a location selected by the ENGINEER. There shall be a minimum of three (3) locations measured per project.
 - 2. In that unit where flexible base is deficient by more than 1/2 inch in thickness, the deficiency shall be corrected by scarifying, adding material as required, reshaping and re-compacting by sprinkling and rolling.
 - 1. No additional payment over the contract unit price will be made for any flexible base of a thickness exceeding that required by plans.
- B. The CONTRACTOR shall schedule his operations in such a manner as to facilitate the measurement of the pay item.
- D. The ENGINEER may accept the work provided no more than 20% depth tests performed are deficient by not more 1/2 inch and where no two consecutive tests on continuous work are outside the specified depth.

4.02 PAYMENT:

- A. The accepted quantities of flexible base of the type, grade, and compaction method specified will be paid at the contract unit bid price per square yard, complete and in place.
- B. Where "Ordinary Compaction" is used, all sprinkling, rolling, and manipulation required will not be paid for directly, but will be incidental to this bid items.
- C. The unit prices bid shall each be full compensation for shaping and fine grading the roadbed; for securing and furnishing all materials, including all royalty and freight involved; for furnishing scales and labor involved in weighing the material when required; for loosening, blasting, excavating, screening, crushing and temporary stockpiling when required; for loading all materials for all hauling and delivering on the road; for spreading, mixing, blading, dragging, shaping and finishing, and for all manipulation, labor, tools and incidentals necessary to complete the work.

END OF SECTION

SECTION 02620
CONCRETE CURB AND GUTTER

PART 1 - GENERAL

1.01 GENERAL DESCRIPTION OF WORK:

- A. This work shall consist of the construction of concrete curb, concrete curb and gutter, concrete gutter or valley gutter, or combination thereof in compliance with the specifications, lines, grades, and details shown on the plans, or as directed by the ENGINEER.

PART 2 - PRODUCTS

2.01 MATERIALS:

- A. Concrete and manufactured curb and gutter materials shall be subject to inspection and tests at plants and construction sites for compliance with quality requirements.
- B. Concrete curb and gutter or concrete valley gutter shall be constructed with concrete conforming to the provisions of Section 02630 - Concrete Pavement, or Class "B" concrete conforming to the requirements of Section 03300 - Cast-In-Place Concrete.
- C. Pre-formed expansion Joint Filler shall conform to the requirements of AASHTO M-33 or M-153.
- D. Linseed Oil shall conform to the requirements of AASHTO D-260.
- E. Mineral Spirits shall conform to the requirements of AASHTO D-235.

2.02 FOUNDATION:

- A. Concrete curb and gutter or concrete valley gutter shall be placed on an approved foundation conforming to the requirements of the following City of McAllen Specifications:
 - 1. Section 02220 - Subgrade Preparation
 - 2. Section 02226 - Excavation, Backfill & Compaction for Pavement
 - 3. Section 02601 - Flexible Base

PART 3 - EXECUTION

3.01 EXCAVATION:

- A. When required, excavation shall be made to the specified depth, and the base upon which the curb and gutter or valley gutter is to be placed shall be compacted to a firm, even surface conforming to the requirements of Subsection 2.02 above.
- B. All soft and unacceptable material shall be removed and replaced with material approved by the ENGINEER in conformance with the requirements of Subsection 2.02 above.

3.02 FORMS:

- A. Forms shall be of wood or metal, straight, free from warp, and of such construction that facilitates the inspection of the grade and alignment for compliance with the approved plans and specifications.
- B. All forms shall extend for the entire depth of the curb and gutter and shall be braced and secured sufficiently so that no deflection from alignment or grade will occur during the placement of the concrete. Flexible forms shall be used in curved sections so that the top surface of the forms will form a smooth, continuous arc.

3.03 MIXING AND PLACING:

- A. Concrete shall be proportioned, mixed, and placed in accordance with the requirements of Section 02630 – Concrete Pavement and Section 03300 – Cast in Place Concrete.
- B. Compaction of the concrete placed in forms shall be by vibration or other acceptable methods.
- C. Unless otherwise provided. After initial set, the exposed surfaces of curbs and gutters shall be finished by belting, or with steel or wooden floats then broom finish to achieve a uniform texture to the satisfaction of the Engineer. Forms shall be left in place until the concrete has set sufficiently so that they can be removed without injury to the curb and gutter.

3.04 SECTIONS:

- A. Curb and gutter shall be constructed in sections having a uniform length of 20 feet, unless otherwise directed by the ENGINEER. Except at expansion joints, sections shall be separated by open joints 1/8 inch wide.

3.05 EXPANSION JOINTS:

- A. Expansion joints shall be formed at the intervals shown on the plans using preformed expansion joints filler having a thickness of 3/4 inch.
- B. When the curb and gutter or concrete valley gutter is constructed adjacent to an existing concrete pavement, an expansion joint shall be located between the curb and gutter section and the existing concrete pavement.

3.06 CURING

- A. Immediately upon completion of the finishing, the curb and gutter shall be moistened and kept moist for 3 days, or the curb and gutter shall be cured by the use of a membrane-forming material. The method and details of curing shall be subject to the approval of the ENGINEER.

3.07 SURFACE TREATMENT:

- A. The surface of concrete curb and gutter or concrete valley gutter shall be treated with a solution of Linseed Oil and Mineral Spirits in accordance with the applicable requirements of Section 03300 - Cast-In-Place Concrete.

3.08 BACKFILLING:

- A. After the concrete has set sufficiently, the spaces in front and behind the curb and gutter section shall be refilled to the required elevation with material approved by the ENGINEER, and shall be thoroughly tamped in layers of not more than 6 inches.

3.09 SLIP-FORM CONCRETE CURB, CONCRETE CURB AND GUTTER OR CONCRETE VALLEY GUTTER:

- A. Any concrete curb or concrete curb and gutter, except on structures, may be placed using a slip form machine provided that the finished concrete curb or concrete curb and gutter is true to line and grade, the concrete is dense, and of the required surface texture.

- B. The concrete shall be of a consistency that it will maintain the shape of the concrete curb or concrete curb and gutter section without support after slip forming.
- C. The top and face of the finished concrete curb or concrete curb and gutter shall be true and straight and the top surface of the concrete curb or concrete curb and gutter shall be of uniform width and free from humps, sags, or other irregularities.
- D. The forming portion of the slip form machine shall be readily adjustable vertically during the forward motion of the slip form machine to provide a variable height of concrete curb or concrete curb and gutter grade when necessary. A grade line gauge or pointer shall be attached to the slip form machine in such a manner that a continual comparison can be made between the concrete curb or concrete curb and gutter grade as indicated by the offset guidelines.
- E. Concrete shall be fed to the slip form machine at a uniform rate. The slip form machine shall be operated under sufficient uniform restraint to forward motion to produce a well compacted mass of concrete free from surface pits larger than 3/16 inch in diameter and requiring no further finishing, other than light brushing with a wet brush. Finishing with a brush application of grout will not be permitted.
- F. Transverse weakened planes and expansion joints shall be constructed at right angles to the line of the concrete curb, concrete curb and gutter, or concrete valley gutter.
- G. Expansion joints may be constructed by sawing through the concrete curb or concrete curb and gutter section to its full depth. The width of the cut shall be such as to admit the joint filler with a snug fit.
- H. The operations of sawing and inserting the joint filler shall be completed before curing the concrete. At the conclusion of the curing period the filler in each joint shall be checked for tightness of fit. Loose filler in any joint shall be mortared in place and cured.
- I. Excavation shall be as per Subsection 3.02 above.
- J. All remaining provisions of Subsection 2.02 above also apply, unless otherwise specified.

PART 4 - MEASUREMENT AND PAYMENT

4.01 MEASUREMENT:

- A. Curb and gutter, curb, and valley gutter shall be measured by the linear foot.
 - 1. Curb shall be measured along the front face of the section at the finished grade elevation.
 - 2. Combination curb and gutter will be measured along the face of the curb at the flow line of the gutter.
 - 3. Valley gutter will be measured along the flow line of the gutter.
- B. A deduction in length shall be made for drainage structures, such as catch basins or inlets, in the curb, gutter, or combination thereof.
- C. There will be no direct measurement or payment of materials used to construct curb and gutter, curb, or valley gutter.
- D. Excavation or construction of embankment for foundation of curb, valley gutter, or combination curb and gutter will not be measured for payment.

4.02 PAYMENT:

- A. The accepted quantities of curb, valley gutter, and curb and gutter will be paid for at the contract unit bid price per linear foot for each kind and type specified, complete and in place.
- B. Foundation preparation by excavating or constructing embankment to the required subgrade elevation is considered incidental to the completion of the work and no direct payment will be made thereof.
- C. Compensation will be for furnishing all materials, labor, equipment, tools and incidentals required for the work, all in accordance with the plans and these specifications.

END OF SECTION

SECTION 02630 CONCRETE PAVEMENT

PART 1 - GENERAL

- 1.0 THE GENERAL CONDITIONS, SPECIAL PROVISIONS and applicable requirements of DIVISION 1 - GENERAL REQUIREMENTS are hereby made a part of this section.
- 1.1 SCOPE: This work consists of street pavement, sidewalk, curb and gutter or rip rap slope pavement composed of Portland Cement Concrete with or without reinforcement, constructed on subgrade or base courses prepared in accordance with these specifications and to the lines, grades, thicknesses and typical cross-sections shown on the plans. Reinforcement, when required, will be subsidiary to the specified Concrete Pavement.

PART 2 - PRODUCTS

2.0 PORTLAND CEMENT

Portland cement concrete shall conform to the requirements of "Section 03301 - Concrete" for each type and strength indicated in the plans.

2.1 JOINT FILLER AND SEALER:

Joint sealants and expansion joint filler materials shall conform to "Item #433, JOINT SEALANTS & FILLERS" in the 1993 edition of TxDOT Standard Specifications for Construction of Highways, Streets and Bridges.

2.2 STEEL REINFORCEMENT:

Reinforcing bars shall conform to the requirements of AASHTO M31 or M53, Grade 60. Fabricated bar mats may be used if they conform to the requirements of AASHTO M54.

2.3 DOWELS AND TIE BARS:

Dowels and tie bars shall conform to the requirements of AASHTO M31 or M53, Grade 60 or Grade 40, as specified on the plans. Tie bars shall be deformed meeting the requirements of AASHTO M31 or M53. Dowel and tie bars may conform to the requirements of AASHTO M 42, except that rail steel shall not be used for tie bars that are to be bent or restraightened during construction. Dowel bars shall be plain round bars of the size specified and the ends shall be sawed. Before delivery to the construction site, a minimum of two-thirds of the length of each dowel bar shall be painted with one coat of lead or tar paint. Prior to placement of concrete, the dowels shall be coated with grease if specified on the plans.

2.4 WATER:

Water used in mixing or curing shall be as clean and free of oil, salt, acid, alkali, sugar, vegetable, or other substances injurious to the finished product as possible. Water will be tested in accordance with the requirements of AASHTO Method T26. Water known to be of potable quality may be used without testing.

2.5 COVER MATERIALS FOR CURING:

Curing materials shall conform to one of the following specifications:

1. "Sheet Materials for Curing Concrete" shall conform to AASHTO M171.
2. "Burlap Cloth Made from Jute or Kenaf" shall conform to AASHTO M182, Class
3. "Liquid Membrane - Forming Compounds for Curing Concrete" shall conform to AASHTO M148, Type 2 (all-resin base), or Federal Specification TT-C-800, Type 2. Liquid Membrane shall be delivered and stored in bulk. Bulk storage shall be equipped with an agitator. All membranes shall be pigmented to allow visible inspection of coverage.

2.6 POZZOLANIC ADMIXTURE:

The use of fly ash as a partial replacement for cement in pavement mix designs, at the rate specified in this paragraph will be allowed at the Contractor's option. Pozzolanic admixtures shall be fly ash meeting the requirements of ASTM C-618, Type C except loss on ignition shall not exceed three (3) percent. When fly ash is used as a partial replacement for cement, the minimum cement content may be met by considering portland cement plus fly ash as the total cementitious component. The replacement rate should not exceed 15 percent.

PART 3 – EXECUTION

3.1 EQUIPMENT:

Equipment and tools necessary for handling materials and performing all parts of the work shall be approved by the Engineer as to design, capacity, and mechanical condition. The equipment shall be at the job site before the start of construction operations for examination and approval.

A. Batching Plant and Equipment

1. General: The batching plant shall include bins, weighing hoppers, and scales for the fine aggregate and coarse aggregate. If bulk cement is used, a bin, hopper, and a separate scale for cement shall be included. The

weighing hoppers shall be properly sealed and vented to preclude dusting during operation.

2. Bins and Hopper. Bins with adequate separate compartments for fine aggregate and coarse aggregate shall be provided in the batching plant. Each compartment shall discharge efficiently and freely into the weighing hopper. Means of control shall be provided so that, as the quantity desired in the weighing hopper is approached, the material may be added slowly and shut off with precision. A port or other opening for removing an overload of any one of the several materials from the hopper shall be provided. Weighing hoppers shall be constructed to eliminate accumulations of materials and to discharge fully.
3. Scales. The scales for weighing aggregates and cement shall be of either the beam or the springless dial type. They shall be accurate within 0.5 percent throughout their range of use. When beam-type scales are used, provisions such as a "telltale" dial shall be made for indicating to the operator that the required load in the weighing hopper is being approached. A device on the weighing beams shall clearly indicate critical position. Poises shall be designed to be locked in any position and to prevent unauthorized change. The weight beam and "telltale" device shall be in full view of the operator while charging the hopper, and the operator shall have convenient access to all controls. Scales shall be inspected and sealed as often as the Engineer may deem necessary to assure their continued accuracy. The Contractor shall have on hand not less than ten 50-pound (23 kg) weights for testing of all scales when directed by the Engineer.

B. Mixers.

1. General. Concrete may be mixed at a central plant, or wholly or in part in truck mixers. Each mixer shall have attached in a prominent place a manufacturer's nameplate showing the capacity of the drum in terms of volume of mixed concrete and the speed of rotation of the mixing drum or blades. A device accurate within 3 percent and satisfactory to the Engineer shall be provided at the mixer for determining the amount of air-entraining agent or other admixture to be added to each batch requiring such admixtures. Mixers shall be examined daily for the accumulation of hard concrete or mortar and the wear of blades.
2. Central Plant Mixer. Mixing shall be in an approved mixer capable of combining the aggregates, cement, and water into a thoroughly mixed and uniform mass within the specified mixing period, and of discharging the mixture without segregation. Central plant mixers shall be equipped with an acceptable timing device that will not permit the batch to be discharged until the specified mixing time has elapsed. The water system for a central mixer shall be either a calibrated measuring tank or a meter and shall not

necessarily be an integral part of the mixer. The mixers shall be examined daily for changes in condition due to accumulation of hard concrete or mortar or wear of blades. The pickup and throwover blades shall be replaced when they have worn down 3/4-inch (19 mm) or more. The Contractor shall have a copy of the manufacturer's design on hand showing dimensions and arrangement of blades in reference to original height and depth.

3. Truck Mixers and Truck Agitators. Truck mixers used for mixing and hauling concrete and truck agitators used for hauling central-mixed concrete shall conform to the requirements of ASTM C94.

C. Finishing Equipment.

1. Finishing Machine. The finishing machine shall be equipped with one or more oscillating-type transverse screeds.
2. Vibrators. For side-form construction, vibrators may be either the surface pan type for pavements less than 8 inches (20 cm) thick or the internal type with either immersed tube or multiple spuds, for the full width of the concrete slab. They may be attached to the spreader or the finishing machine, or they may be mounted on a separate carriage. They shall not come in contact with the joint, load-transfer devices, subgrade, or side forms. The frequency of the surface vibrators shall not be less than 3,500 vibrations per minute, and the frequency of the internal type shall not be less than 7,000 vibrations per minute for spud vibrators. When spud-type internal vibrators are used adjacent to the side forms, they shall have a frequency of not less than 3,500 vibrations per minute. Hand vibrators should be used to consolidate the concrete along forms and other isolated areas. For slip-form construction, the paver shall vibrate the concrete for the full width and depth of the strip of pavement being placed. Vibration shall be accomplished by internal vibrators with a frequency range variable between 7,000 and 12,000 vibrations per minute. The amplitude of vibration shall be between 0.025 (0.6 mm) and 0.06 (1.5 mm) inches. The number, spacing, frequency, and eccentric weights shall be provided as necessary to achieve an acceptable concrete density and finishing quality. Adequate power to operate all vibrators at the weight and frequency required for a satisfactory finish shall be available on the paver. The internal vibrators may be supplemented by vibrating screeds operating on the surface of the concrete. The frequency of surface vibrators shall not be less than 3,500 vibrations per minute. The Contractor shall furnish a tachometer or other suitable device for measuring the frequency of the vibrators. The vibrators and tamping elements shall be automatically controlled so that they shall be stopped as forward motion ceases. Any override switch shall be of the springloaded, momentary contact type. For hand placed pavement the contractor shall consolidate concrete with the use of a hand held vibrator regardless of the type of strike

off machinery used. Vibration shall be done to sufficiently remove air voids and consolidate concrete around reinforcing steel and side forms. VIBRATORS SHALL NOT BE USED TO DISTRIBUTE CONCRETE. The contractor shall limit disturbances of consolidated concrete during strike-off and finishing by using adequately sized floats and straight edges as approved by the Engineer. Vibrators, floats, and finishing tools to be on job site at all times during concrete placement.

3. Concrete Saw. When sawing of joints is specified, the Contractor shall provide sawing equipment adequate in number of units and power to complete the sawing to the required dimensions and at the required rate. The Contractor shall provide at least one standby saw in good working order. An ample supply of saw blades shall be maintained at the site of the work at all times during sawing operations. The Contractor shall provide adequate artificial lighting facilities for night sawing. All of this equipment shall be on the job both before and at all times during concrete placement.
4. Forms. Straight side forms shall be made of steel having a thickness of not less than 7/32 inch (6 mm) and shall be furnished in sections not less than 10 feet (3 m) in length. Forms shall have a depth equal to the prescribed edge thickness of the concrete without horizontal joint, and a base width equal to the depth of the forms. Flexible or curved forms of proper radius shall be used for curves of 100-foot (31 m) radius or less. Flexible or curved forms shall be of a design acceptable to the Engineer. Forms shall be provided with adequate devices for secure settings so that when in place they will withstand, without visible spring or settlement, the impact and vibration of the consolidating and finishing equipment. Flange braces shall extend outward on the base not less than two-thirds the height of the form. Forms with battered top surfaces and bent, twisted, or broken forms shall be removed from the work. Repaired forms shall not be used until inspected and approved. Built-up forms shall not be used, except as approved by the Engineer. The top face of the form shall not vary from a true plane more than 1/8 inch (3 mm) in 10 feet (3 m), and the upstanding leg shall not vary more than 1/4-inch (6 mm). The forms shall contain provisions for locking the ends of abutting sections together tightly for secure setting.
5. Slip-form Pavers. The paver shall be fully energized, self-propelled, and designed for the specific purpose of placing, consolidating, and finishing the concrete pavement, true to grade, tolerances, and cross section. It shall be of sufficient weight and power to construct the maximum specified concrete paving lane width as shown in the plans, at adequate forward speed, without transverse, longitudinal or vertical instability or without displacement. The paver shall be equipped with electronic or hydraulic horizontal and vertical control devices.

3.2 FORM SETTING:

Forms shall be set sufficiently in advance of the concrete placement to insure continuous paving operation. After the forms have been set to correct grade, the grade shall be thoroughly tamped, either mechanically or by hand, at both the inside and outside edges of the base of the forms. Forms shall be staked into place with not less than 3 pins for each 10-foot (3 m) section. A pin shall be placed at each side of every joint. Form sections shall be tightly locked and shall be free from play or movement in any direction. The forms shall not deviate from true line by more than 1/4-inch (6 mm) at any joint. Forms shall be so set that they will withstand, without visible spring or settlement, the impact and vibration of the consolidating and finishing equipment. Forms shall be cleaned and oiled prior to the placing of concrete. The alignment and grade elevations of the forms shall be checked and corrections made by the Contractor immediately before placing the concrete. When any form has been disturbed or any grade has become unstable, the form shall be reset and rechecked.

3.3 CONDITIONING OF UNDERLYING COURSE AND REINFORCING:

The prepared grade shall be well moistened with water, without saturating, immediately ahead of concrete placement to prevent rapid loss of moisture from the concrete. Ruts or depressions in the subgrade or subbase caused by hauling or usage of other equipment shall be filled as they develop with suitable material (not with concrete or concrete aggregates) and thoroughly compacted by rolling. If damage occurs to a stabilized subbase, it shall be corrected full depth by the Contractor, or the damaged areas filled with concrete integral with the pavement. All excess material shall be removed. Low areas may be filled and compacted to a condition similar to that of the surrounding grade, or filled with concrete integral with the pavement. In cold weather, the underlying subbase shall be protected so that it will be entirely free from frost when the concrete is placed. The use of chemicals to eliminate frost in the underlying material will not be permitted. The work described under the foregoing paragraphs does not constitute a regular subgrading operation, but rather a final accurate check of the underlying course. Reinforcing steel, at the time concrete is placed, shall be free of mud, oil, or other organic matter that may adversely affect or reduce bond. Reinforcing steel with rust, mill scale, or a combination of both will be considered satisfactory, provided the minimum dimensions, weight, and tensile properties of a hand wire-brushed test specimen are not less than the applicable ASTM specification requirements and provided the rust or scale is not loose. Reinforcing bars shall be securely wired together at all intersections and splices and shall be securely wired to each dowel and load transmission unit intersected. All bars shall be installed in their required position as shown on the plans.

3.4 MIXING CONCRETE:

The concrete may be mixed at the work site, in a central mix plant or in truck mixers. The mixer shall be of an approved type and capacity. Mixing time shall be measured from the time all materials, except water, are emptied into the drum. Ready-mixed concrete shall be mixed and delivered in accordance with the requirements of ASTM C94, except that the minimum required revolutions of the mixing speed for transit mixed concrete may be reduced to not less than that recommended by the mixer manufacturer. The number of revolutions recommended by the mixer manufacturer shall be indicated on the manufacturer's serial plate attached to the mixer. When mixed at the work site or in a central mixing plant, the mixing time shall not be less than 50 seconds nor more than 90 seconds. Mixing time ends when the discharge chute opens. Transfer time in multiple drum mixers is included in mixing time. The contents of an individual mixer drum shall be removed before a succeeding batch is emptied therein. The mixer shall be operated at the drum speed as shown on the manufacturer's nameplate on the approved mixer. Any concrete mixed less than the specified time shall be discarded at the Contractor's expense. The volume of concrete mixed per batch shall not exceed the mixer's nominal capacity in cubic feet (cubic meters), as shown on the manufacturer's standard rating plate on the mixer. An overload up to 10 percent above the mixer's nominal capacity may be permitted provided concrete test data for segregation and uniform consistency are satisfactory, and provided no spillage of concrete takes place. The batch shall be charged into the drum so that a portion of the mixing water shall enter in advance of the cement and aggregates. The flow of water shall be uniform, and all water shall be in the drum by the end of the first 15 seconds of the mixing period. The throat of the drum shall be kept free of such accumulations as may restrict the free flow of materials into the drum. Mixed concrete from the central mixing plant shall be transported in truck mixers, truck agitators, or non agitating trucks. The time elapsing from the time water is added to the mix until the concrete is deposited in place at the work site shall not exceed 30 minutes when the concrete is hauled in non agitating trucks, nor 60 minutes when the concrete is hauled in truck mixers or truck agitators. **Re-tempering concrete by adding water or by other means will not be permitted, except when concrete is delivered in transit mixers. With transit mixers additional water may be added to the batch materials and additional mixing performed to increase the slump to meet the specified requirements, if permitted by the Engineer.** All these operations must be performed within 45 minutes after the initial mixing operations and the water-cement ratio must not be exceeded. Admixtures for increasing the workability or for accelerating the set will be permitted only when specified for in the contract.

3.5 LIMITATIONS OF MIXING:

No concrete shall be mixed, placed, or finished when the natural light is insufficient, unless an adequate and approved artificial lighting system is operated. Unless authorized in writing by the Engineer, mixing and concreting operations shall be

discontinued when a descending air temperature in the shade and away from artificial heat reaches 40 degrees F (4 degrees C) and shall not be resumed until an ascending air temperature in the shade and away from artificial heat reaches 35 degrees F (2 degrees C). When concreting is authorized during cold weather, the aggregates may be heated by either steam or dry heat prior to being placed in the mixer. The apparatus used shall heat the mass uniformly and shall be arranged to preclude the possible occurrence of overheated areas which might be detrimental to the materials. Unless otherwise authorized, the temperature of the mixed concrete shall not be less than 50 degrees F (10 degrees C) at the time of placement in the forms. If the air temperature is 35 degrees F (2 degrees C) or less at the time of placing concrete, the Engineer may require the water and/or the aggregates to be heated to not less than 70 degrees F (21 degrees C) nor more than 150 degrees F (66 degrees C). Concrete shall not be placed on frozen subgrade nor shall frozen aggregates be used in the concrete. During periods of warm weather when the maximum daily air temperature exceeds 85 degrees F (30 degrees C), the following precautions should be taken. The forms and/or the underlying material shall be sprinkled with water immediately before placing the concrete. The concrete shall be placed at the coolest temperature practicable, and in no case shall the temperature of the concrete when placed exceed 90 degrees F (32 degrees C). The aggregate and/or mixing water shall be cooled as necessary to maintain the concrete temperature at or not more than the specified maximum.

3.6 PLACING CONCRETE:

- A. Side-form Method: For the side-form method, the concrete shall be deposited on the moistened grade to require as little rehandling as possible. Unless truck mixers, truck agitators, or nonagitating hauling equipment are equipped with means for discharge of concrete without segregation of the materials, the concrete shall be unloaded into an approved spreading device and mechanically spread on the grade to prevent segregation of the materials. Placing shall be continuous between transverse joints without the use of intermediate bulkheads. Necessary hand spreading shall be done with shovels -- **NOT RAKES**. Workmen shall not be allowed to walk in the freshly mixed concrete with boots or shoes coated with earth or foreign substances. Concrete for side-form construction shall be placed on cement treated base. No concrete shall be placed before the cement treated base has obtained a compressive strength specified at 7 days. When concrete is to be placed adjoining a previously constructed lane of pavement and when mechanical equipment will be operated upon the existing lane of pavement, the concrete shall be at least 7 days old and at a flexural strength approved by the Engineer. If only finishing equipment is carried on the existing lane, paving in adjoining lanes may be permitted after 3 days, if approved by the Engineer. Concrete shall be thoroughly consolidated against and along the faces of all forms and along the full length and on both sides of all joint assemblies by means of vibrators inserted in the concrete. Vibrators shall not be permitted to come in contact with a joint assembly, the grade, or a side form. In no case shall the vibrator be

operated longer than 15 seconds in any one location, nor shall the vibrators be used to move the concrete. Concrete shall be deposited as near to expansion and contraction joints as possible without disturbing them but shall not be dumped from the discharge bucket or hopper onto a joint assembly unless the hopper is well centered on the joint assembly. Should any concrete materials fall on or be worked into the surface of a completed slab, they shall be removed immediately by approved methods.

- B. Slip Form Method. For the slip-form method, the concrete shall be placed with an approved crawler-mounted, slip-form paver designed to spread, consolidate, and shape the freshly placed concrete in one complete pass of the machine so that a minimum of hand finishing will be necessary to provide a dense and homogeneous pavement in conformance with requirements of the plans and specifications. The concrete should be placed directly on top of the joint assemblies to prevent them from moving when the paver moves over them. Side forms and finishing screeds shall be adjustable to the extent required to produce the specified pavement edge and surface tolerance. The side forms shall be of dimensions, shape, and strength to support the concrete laterally for a sufficient length of time so that no appreciable edge slumping will occur. Final finishing shall be accomplished while the concrete is still in the plastic state. Concrete for slip form construction shall be placed on cement treated base or lime stabilized subgrade. No concrete shall be placed before the cement treated base has obtained the compressive strength specified at 7 days. The Contractor shall set grade stakes and stringline for each lane placement. The stringline shall be supported at intervals of not more than 25 feet. Additional supports shall be installed to prevent sag of the stringline. The horizontal alignment of the stringline shall be within plus or minus 1/4-inch in 10 feet of true alignment. The Contractor shall provide a suitable method of securing the stringline to maintain proper grade where vertical curves are to be constructed.
- C. Hand Placement Method. When the hand method of striking off and consolidating is permitted, the concrete, as soon as placed, shall be approximately leveled and then struck off and screeded to such elevation above grade that, when consolidated and finished, the surface of the pavement shall be at the grade elevation shown on the plans. The entire surface shall then be tamped and the concrete consolidated so as to insure maximum compaction and a minimum of voids. For the strike off and consolidation, both a strike template and tamping template shall be provided on the work. In operation the strike template shall be moved forward with a combined longitudinal and transverse motion and so manipulated that neither end of the template is raised from the forms during the striking-off process. A slight excess of material shall be kept in front of the cutting edge at all times. The straightedging, surfacing and joint finishing shall be as described herein.

3.7 STRIKE-OFF OF CONCRETE:

Following the placing of the concrete, it shall be struck off to conform to the cross section shown on the plans and to an elevation such that when the concrete is properly consolidated and finished, the surface of the pavement shall be at the elevation shown on the plans. All reinforcement shall be positioned in advance of concrete placement. All reinforcing bars and bar mats shall be installed in the slab at the required depth below the finished surface and supported by chairs installed on 4-foot centers. After the reinforcing steel is securely installed above the subgrade, as specifically required by plans and as herein prescribed, there shall be no loading imposed upon (or walking upon) the bar mats or individual bars that will cause deformation of reinforcing before or during the placing or finishing of the concrete.

3.8 JOINTS.

A. General:

1. Longitudinal and Transverse Joints. Longitudinal and transverse joints shall be constructed as indicated on the plans and in accordance with these requirements. All joints shall be constructed true to line with their faces perpendicular to the surface of the pavement. Joints shall not vary more than 1/2-inch (13 mm) from a true line or from their designated position. The vertical surface of the pavement adjacent to all expansion joints shall be finished to a true plane and edged to a radius of 1/4-inch (6 mm) or as shown on the plans. The surface across the joints shall be tested with a 10-foot (3 m) straightedge as the joints are finished and any irregularities in excess of 1/4-inch (6 mm) shall be corrected before the concrete has hardened. Longitudinal construction joints that do not meet these requirements or which show significant cracking or planes of weakness shall be sawed-off full depth at the Contractor's expense using the minimum practical width at locations designated by the Engineer. When required, keyways shall be accurately formed with a template of metal or wood. The gauge or thickness of the material in the template shall be such that the full keyway, as specified, is formed and is in the correct location. Transverse joints shall be right angles to the centerline of the pavement and shall extend the full width of the slab. All joints shall be so prepared, finished, or cut to provide a groove of the width and depth shown on the plans.
2. Tie Bars: Tie bars shall consist of deformed bars installed principally in longitudinal joints as shown on the plans or the bars shall be extensions of the distributed reinforcing steel across the joints. Tie bars shall be placed at right angles to the centerline of the concrete slab. They shall be held in position parallel to the surface and midway between the surfaces of the slab. These bars shall not be painted, greased, or enclosed in sleeves. At all locations where tie bars are specified and where pavement is in place, the

tie bars shall be inserted by drilling and grouting with approved epoxy material. Tie bars in longitudinal construction joints may be installed by bending the bars flush with a keyed joint.

3. Dowel Bars: If used, dowel bars or other load-transfer units of an approved type shall be placed across transverse or other joints in the manner as specified on the plans. They shall be of the dimensions and spacing as shown and held rigidly in the middle of the slab depth in the proper horizontal and vertical alignment by an approved assembly device to be left permanently in place. The dowel or load-transfer and joint devices shall be rigid enough to permit complete assembly as a unit ready to be lifted and placed into position. A metal, or other type, dowel expansion cap or sleeve shall be furnished for each dowel bar used with expansion joints. These caps shall be substantial enough to prevent collapse and shall be placed on the ends of the dowels as shown on the plans. The caps or sleeves shall fit the dowel bar tightly and the closed end shall be watertight.
- B. Installation: Joints in concrete pavements shall be cut as shown on the plans. Equipment shall be as described in Paragraph 3.1. The circular cutter shall be capable of cutting a groove in a straight line and shall produce a slot at least 1/8-inch (3 mm) wide and to the depth shown on the plans. When shown on the plans or required by the specifications, the top portion of the slot or groove shall be widened by means of a second shallower cut or by suitable and approved beveling to provide adequate space for joint sealers. Sawing of the joints shall commence as soon as the concrete has hardened sufficiently to permit cutting without chipping, spalling, or tearing. Sawing shall be carried on both during the day and night as required. The joints shall be sawed at the required spacing consecutively in sequence of the concrete placement, unless otherwise approved by the Engineer.
- C. Longitudinal Joints.
1. Construction. Longitudinal construction joints shall be formed against suitable side forms (usually made of steel) with or without keyways. Wooden forms may be used under special conditions, when approved by the Engineer. Where butt-type joints with dowels are designated, the dowels for this type shall be painted and greased. The edges of the joint shall be finished with a grooving tool or edging tool, and a space or slot shall be formed along the joint of the dimensions, as indicated, to receive the joint sealing material. Longitudinal construction joints shall be sawed to provide a groove at the top conforming to the details and dimensions indicated on the plans. Provisions shall be made for the installation of tie bars as noted on the plans.
 2. Contraction or Weakened-plane type. The longitudinal groove sawed in the top of the slab shall be installed where indicated on the drawings. The

groove shall be sawed with approved equipment in the hardened concrete to the dimensions required. The sawed groove shall be straight and of uniform width and depth. The groove shall be clean cut so that spalling will be avoided at intersections with transverse joints. Tie bars or distributed reinforcing steel shall be installed across these joints were indicated on the plans.

3. Expansion. Longitudinal expansion joints shall be installed as indicated on the plans. The premolded filler, of the thickness as shown on the plans, shall extend for the full depth and width of the slab at the joint, except for space for sealant at the top of the slab. The filler shall be securely staked or fastened into position perpendicular to the proposed finished surface. A cap shall be provided to protect the top edge of the filler and to permit the concrete to be placed and finished. After the concrete has been placed and struck off, the cap shall be carefully withdrawn leaving the space over the premolded filler. The edges of the joint shall be finished and tooled while the concrete is still plastic.

D. Transverse Joints.

1. Expansion. Transverse expansion joints shall be installed at the locations and spacing as shown on the plans. The joints shall be installed at right angles to the centerline and perpendicular to the surface of the pavement. The joints shall be installed and finished to insure complete separation of the slabs. Expansion joints shall be of a premolded type conforming to these specifications and with the plans and shall be the full width of the pavement strip. All concrete shall be cleaned from the top of the joint material. Before the pavement is opened to traffic, this space shall be swept clean and filled with approved joint sealing material. All devices used for the installation of expansion joints shall be approved by the Engineer. They shall be easily removable without disturbing the concrete and held in proper transverse and vertical alignment. Immediately after forms are removed, any concrete bridging the joint space at the ends shall be removed for the full width and depth of the joint. When specified, expansion joints shall be equipped with dowels of the dimensions and at the spacing and location indicated on the plans. The dowels shall be firmly supported in place and accurately aligned parallel to the subgrade and the centerline of the pavement by means of a dowel assembly which will remain in the pavement and will ensure that the dowels are not displaced during construction. Other types of load-transfer devices may be used, when approved by the Engineer.
2. Contraction. Transverse contraction joints, weakened-plane joints, or both, shall be installed at the locations and spacing as shown on the plans. These joints will be installed by sawing a groove into the concrete surface after the concrete has hardened in the same manner as specified in Paragraph

3.8(c)(2). Dowel bar assemblies shall be installed, when required, as shown on the plans.

3. Construction. Transverse construction joints shall be installed at the end of each day's placing operations and at any other points within a paving lane when concrete placement is interrupted for more than 30 minutes or it appears that the concrete will obtain its initial set before fresh concrete arrives. When the installation of the joint can be planned in advance, it shall be located at a contraction or expansion joint. The joint shall not be allowed within 8 feet (2.4 m) of a regular spaced transverse joint. If the pouring of the concrete has been stopped, causing a joint to fall within this limit, it shall not be installed, and the fresh placed concrete shall be removed back to the 8 foot (2.4 m) limit.

3.9 FINAL STRIKE-OFF, CONSOLIDATION, AND FINISHING:

- A. Sequence. The sequence of operations shall be the strike-off and consolidation, floating and removal of laitance, straightedging, and final surface finish. The addition of superficial water to the surface of the concrete to assist in finishing operations generally will not be permitted. If the application of water to the surface is permitted, it shall be applied as a fog spray by means of approved spray equipment.
- B. Finishing at Joints. The concrete adjacent to joints shall be compacted or firmly placed without voids or segregation against the joint material; it shall be firmly placed without voids or segregation under and around all load-transfer devices, joint assembly units, and other features designed to extend into the pavement. Concrete adjacent to joints shall be mechanically vibrated. After the concrete has been placed and vibrated adjacent to the joints, the finishing machine shall be operated in a manner to avoid damage or misalignment of joints. If uninterrupted operations of the finishing machine, to, over, and beyond the joints, cause segregation of concrete, damage to, or misalignment of the joints, the finishing machine shall be stopped when the screed is approximately 8 inches (20 cm) from the joint. Segregated concrete shall be removed from the front of and off the joint; the screed shall be lifted and set directly on top of the joint, and the forward motion of the finishing machine shall be resumed. Thereafter, the finishing machine may run over the joint without lifting the screed, provided there is no segregated concrete immediately between the joint and the screed or on top of the joint.
- C. Machine Finishing. The concrete shall be spread as soon as it is placed, and it shall be struck off and screeded by an approved finishing machine. The machine shall go over each area as many times and at such intervals as necessary to give the proper consolidation and to leave a surface of uniform texture. Excessive operation over a given area shall be avoided. When side forms are used, the tops of the forms shall be kept clean by an effective device

attached to the machine, and the travel of the machine on the forms shall be maintained true without lift, wobbling, or other variation tending to affect the precision finish. During the first pass of the finishing machine, a uniform ridge of concrete shall be maintained ahead of the front screed for its entire length. When in operation, the screed shall be moved forward with a combined longitudinal and transverse shearing motion, always moving in the direction in which the work is progressing, and so manipulated that neither end is raised from the side forms during the striking-off process. If necessary, this shall be repeated until the surface is of uniform texture, true to grade and cross section, and free from porous areas.

- D. Hand Finishing. Hand finishing methods will not be permitted, except under the following conditions: In the event of breakdown of the mechanical equipment, hand methods may be used to finish the concrete already deposited on the grade; in areas of narrow widths or of irregular dimensions where operation of the mechanical equipment is impractical. Concrete, as soon as placed, shall be struck off and screeded. An approved portable screed shall be used. The screed for the surface shall be at least 2 feet (0.6 m) longer than the maximum width of the slab to be struck off. It shall be of approved design, sufficiently rigid to retain its shape, and shall be constructed either of metal or of other suitable material covered with metal. Wood will not be permitted. Consolidation shall be attained by the use of a suitable vibrator.
- E. Floating. After the concrete has been struck off and consolidated, it shall be further smoothed, trued, and consolidated by means of a longitudinal float, using one of the following methods:
1. Hand Method. The hand-operated longitudinal float shall not be less than 12 feet (3.6 m) in length and 6 inches (15 cm) in width, properly stiffened to prevent flexibility and warping. The longitudinal float, operated from foot bridges resting on the side forms and spanning but not touching the concrete, shall be worked with a sawing motion, while held in a floating position parallel to the slab centerline and passing gradually from one side of the slab to the other. Forward movement along the centerline of the slab shall be in successive advances of not more than one-half the length of the float. Any excess water or soup material shall be wasted over the slab edge on each pass.
 2. Mechanical Method. The Contractor may use a machine composed of a cutting and smoothing float(s), suspended from and guided by a rigid frame. The frame shall be carried by four or more visible wheels riding on, and constantly in contact with, the side forms or pavement subgrade. If necessary, long-handled floats having blades not less than 5 feet (1.5 m) in length and 6 inches (1.5 cm) in width may be used to smooth and fill in open-textured areas in the slab. Long-handled floats shall not be used to float the entire surface of the slab in lieu of mechanical methods. After

floating, any excess water and laitance shall be removed from the surface of the slab by a straightedge 10 feet (3 m) or more in length. Successive drags shall be lapped one-half the length of the blade.

- F. Straight-edge Testing and Surface Correction. After the pavement has been struck off and consolidated and while the concrete is still plastic, it shall be tested for trueness with a 16-foot (4.8 m) straightedge. For this purpose the Contractor shall furnish and use an accurate 16-foot (4.8 m) straightedge swung from handles 3 feet (0.4 m) longer than one-half the width of the slab. The straightedge shall be held in contact with the surface in successive positions parallel to the centerline and the whole area gone over from one side of the slab to the other, as necessary. Advancing shall be in successive stages of not more than one-half the length of the straightedge. Any excess water and laitance shall be removed from the surface of the pavement. Any depressions shall be immediately filled with freshly mixed concrete, struck off, consolidated, and refinished. High areas shall be cut down and refinished. Special attention shall be given to assure that the surface across joints meets the requirements for smoothness. Straightedge testing and surface corrections shall continue until the entire surface is found to be free from observable departures from the straightedge and until the slab conforms to the required grade and cross section. The use of long-handled wood floats shall be confined to a minimum; they may be used only in emergencies and in areas not accessible to finishing equipment.

3.10 SURFACE TEXTURE:

A light broom drag shall be used for slab concrete pavements. The direction of the texture device shall be as directed by the Engineer. Contractor to match existing pavement finishes.

3.11 SURFACE TEST:

As soon as the concrete has hardened sufficiently, the pavement surface shall be tested with a 16-foot (5 m) straightedge or other specified device to determine its compliance with design grades. Where the departure from correct cross section exceeds $\frac{1}{2}$ inch (13 mm), the pavement shall be ground down with a approved grinding machine to within $\frac{1}{4}$ inch of tolerance or removed and replaced at the expense of the Contractor when so directed by the Engineer. Cracked or damaged slabs shall be removed and replaced at the expense of the Contractor when so directed by the Engineer. Any area or section so removed shall not be less than 20 feet (6 m) in length or less than the full width of the lane involved, whichever is greatest. When it is necessary to remove and replace a section of pavement, and remaining portion of a slab adjacent to the joints that is less than 10 feet (3 m) in length shall also be removed and replaced.

3.12 CURING:

Immediately after the finishing operations have been completed and marring of the concrete will not occur, the entire surface of the newly placed concrete shall be cured in accordance with one of the methods below. In all cases in which curing requires the use of water, the curing shall have prior right to all water supply or supplies. Failure to provide sufficient cover material of whatever kind the Contractor may elect to use, or lack of water to adequately take care of both curing and other requirements, shall be cause for immediate suspension of concreting operations. The concrete shall not be left exposed for more than 1/2 hour during the curing period. The following are alternate approved methods for curing concrete pavements.

- A. Impervious Membrane Method. The entire surface of the pavement shall be sprayed uniformly with white pigmented curing compound immediately after the finishing of the surface and before the set of the concrete has taken place. The curing compound shall not be applied during rainfall. Curing compound shall be applied by mechanical sprayers under pressure at the rate of 1 gallon (4 liters) to not more than 150 square feet (14 square meters). The spraying equipment shall be of the fully atomizing type equipped with a tank agitator. At the time of use, the compound shall be in a thoroughly mixed condition with the pigment uniformly dispersed throughout the vehicle. During application the compound shall be stirred continuously by effective mechanical means. Hand spraying of odd widths or shapes and concrete surfaces exposed by the removal of forms will be permitted. Curing compound shall not be applied to the inside faces of joints to be sealed, but approved means shall be used to insure proper curing for 72 hours. The curing compound shall be of such character that the film will harden within 30 minutes after application. Should the film become damaged from any cause within the required curing period, the damaged portions shall be repaired immediately with additional compound. Upon removal of the side forms, the sides of the exposed slabs shall be protected immediately to provide a curing treatment equal to that provided for the surface. For the Impervious Membrane Method, the Contractor is encouraged to include Polyethylene Film dispensing equipment in the Paving Train to provide protection to the finished work in case of rainfall.
- B. Polyethylene Films. The top surface and sides of the pavement shall be entirely covered with polyethylene sheeting. The units shall be lapped at least 18 inches (457 mm). The sheeting shall be placed and weighted to cause it to remain in contact with the surface covered. The sheeting shall have dimensions that will extend at least twice the thickness of the pavement beyond the edges of the pavement. Unless otherwise specified, the sheeting shall be maintained in place for 72 hours after the concrete has been placed.
- C. Waterproof Paper. The top surface and sides of the pavement shall be entirely covered with waterproofed paper. The units shall be lapped at least 18 inches

(457 mm). The paper shall be placed and weighted to cause it to remain in contact with the surface covered. The paper shall have dimensions that will extend at least twice the thickness of the pavement beyond the edges of the slab. The surface of the pavement shall be thoroughly wetted prior to placing of the paper. Unless otherwise specified, the paper shall be maintained in place for 72 hours after the concrete has been placed.

- D. White Burlap-Polyethylene Sheets. The surface of the pavement shall be entirely covered with sheeting. The sheeting used shall be such length (or width) that it will extend at least twice the thickness of the pavement beyond the edges of the slab. The sheeting shall be placed so that the entire surface and both edges of the slab are completely covered. The sheeting shall be placed and weighted to remain in contact with the surface covered, and the covering shall be maintained fully wetted and in position for 72 hours after the concrete has been placed.
- E. Curing in Cold Weather. When the average daily temperature is below 40 degrees F (4 degrees C), curing shall consist of covering the newly laid pavement with not less than 12 inches (30 cm) of loose, dry hay or straw, or equivalent protective curing authorized by the Engineer, which shall be retained in place for 10 days. The hay or straw shall be secured to avoid being blown away. Admixture for curing or temperature control may be used only when authorized by the Engineer. When concrete is being placed and the air temperature may be expected to drop below 35 degrees F (2 degrees C), a sufficient supply of straw, hay, grass, or other suitable blanketing material such as burlap or polyethylene shall be provided along the work. Any time the temperature may be expected to reach the freezing point during the day or night, the material so provided shall be spread over the pavement to a sufficient depth to prevent freezing of the concrete. The period of time such protection shall be maintained shall not be less than 10 days. A minimum of 3 days is required when high, early strength concrete is used. The Contractor shall be responsible for the quality and strength of the concrete placed during cold weather, and any concrete injured by frost action shall be removed and replaced at the Contractor's expense.

3.13 REMOVING FORMS:

Unless otherwise specified, forms shall not be removed from freshly placed concrete until it has set for at least 12 hours, except where auxiliary forms are used temporarily in widened areas. Forms shall be removed carefully to avoid damage to the pavement. After the forms have been removed, the sides of the slab shall be cured as outlined in one of the methods indicated in Paragraph 3.17. Major honeycombed areas shall be considered as defective work and shall be removed and replaced. Any area or section so removed shall not be less than 20 feet (6 m) in length nor less than the full width of the lane involved. When it is necessary to remove and replace a section of pavement, any remaining portion of the slab

adjacent to the joints that is less than 10 feet (3 m) in length shall also be removed and replaced.

3.14 SEALING JOINTS:

The joints in the pavement shall be prepared and sealed in strict accordance with the sealant manufacturer's printed recommendations.

3.15 PROTECTION OF PAVEMENT:

The Contractor shall protect the pavement and its appurtenances against both public traffic and traffic caused by the Contractor's employees and agents. This shall include watchmen to direct traffic and the erection and maintenance of warning signs, lights, pavement bridges, or crossovers, etc. The plans or special provisions will indicate the location and type of device or facility required to protect the work and provide adequately for traffic. Any damage to the pavement occurring prior to final acceptance shall be repaired or the pavement replaced at the Contractor's expense. In order that the concrete be properly protected against the effects of rain before the concrete is sufficiently hardened, the Contractor is encouraged to have available at all times materials for the protection of edges and surface of the unhardened concrete. Such protective materials shall consist of rolled polyethylene sheeting at least 4 mils (0.1 mm) thick of sufficient length and width to cover the plastic concrete slab and any edges. The sheeting may be mounted on either the paver or a separate movable bridge from which it can be unrolled without dragging over the plastic concrete surface. When rain appears imminent, all paving operations shall stop and all available personnel should begin covering the surface of the unhardened concrete with the protective covering.

3.16 OPENING TO TRAFFIC:

The Engineer shall decide when the pavement shall be opened to traffic. The pavement will not be opened to traffic until test specimens molded and cured in accordance with ASTM C31 have attained a flexural strength of 550 pounds per square inch (3792 kPa) when tested in accordance with ASTM C78. If such tests are not conducted, the pavement shall not be opened to traffic until 14 days after the concrete was placed. Prior to opening to traffic, the pavement shall be thoroughly cleaned.

3.17 SURFACE AND THICKNESS TOLERANCES:

Extreme care must be exercised in all phases of the operation to assure the pavement will pass the specified tolerances. The following tolerances are applicable:

- A. Lateral deviation from established alignment of the pavement edge shall not exceed plus or minus 0.10 foot (30 mm) in any lane.

- B. Vertical deviation from established grade shall not exceed plus or minus 0.04 foot (12 mm) at any point.
- C. Surface smoothness deviations shall not exceed 3/8 inch (6 mm) from a 16-foot (5 m) straightedge placed in any direction, including placement along and spanning any pavement joint or edge. No additional payment over the contract unit price shall be made for any pavement of a thickness exceeding that required by plans.

3.18 INTEGRAL CURBS:

Where shown on the drawings, integral curbs shall be installed to the dimension shown using identical concrete to the paving mix. Expansion and contraction joints shall extend through curb section. Reinforcing for integral curb, when shown on the plans, shall be supported from the ground with driven stakes or as directed by the Engineer. Once the forms are removed, all voided areas shall be rubbed and filled with non-shrink grout within 24 hours. If the forms are removed within 2 days of placement, the curb shall be treated with a specified curing membrane.

3.19 CONCRETE CURB AND GUTTER:

Concrete curb and gutter shall be constructed using concrete of the type and strength specified in the plans. The placement, strike-off consolidation and finishing shall be made using applicable portions of this specification as determined by the Engineer. Contraction joints shall be placed at 20-foot centers with the use of a 1/2" deep grooving tool. Expansion joints shall be placed at a maximum spacing of 400 feet and at all radius points, curb returns and junctions with structures. For curves of 100 feet radius or less, contraction joints shall be tooled at 10-foot centers and expansion joints constructed at 50-foot centers. Expansion joints shall contain a minimum of two smooth dowels a minimum of one bar size larger than the longitudinal reinforcing and 3/4-inch thick expansion joint material of the type specified in the plans. Expansion joints shall be sealed in accordance with the plan details.

3.20 SIDEWALKS AND SLOPE PAVING:

Concrete sidewalks and slope paving shall be constructed to use concrete of the type and strength specified in the plans. The placement, strike-off, consolidation and finishing shall be made using applicable portions of this specification as determined by the Engineer. Contraction joints shall be tooled at a depth of 1/2" at spacing equal to the width of the sidewalk, not to exceed six feet maximum. For walks wider than six feet, longitudinal joints shall be tooled at equal spacing, not less than three feet. Edges shall be tooled with a 1/4-inch radius and finish slightly higher than adjacent curbs to ensure proper drainage if some settlement occurs. Expansion joints shall be placed at 100-foot intervals or at intersecting walk locations. Expansion joints shall be 3/4-inch in thickness and contain smooth

dowels at not less than 12" spacing. The size of the dowels will be equal to the thickness of the sidewalk in inches. Scoring and tooling for barrier free ramps shall be made in accordance with governing City standards or as directed by the Engineer.

3.21 FIELD TEST SPECIMENS:

Concrete samples shall be furnished by the Contractor and shall be taken in the field to determine the consistency, air content, and strength of the concrete. Compressive test cylinders shall be made each day that the concrete is placed. However, at the start of paving operations and when the aggregate source, aggregate characteristics, or mix design is changed, additional groups of test cylinders may be required until the Engineer is satisfied that the concrete mixture being used complies with the strength requirements of these specifications. Test ages will be 7 days and 28 days. Test cylinders for compressive strength tests shall be taken and cured in accordance with ASTM C-31 and tested in accordance with ASTM C-39. At least four cylinders (a set) shall be made for each 50 cubic yards or fraction thereof placed and tested at 7 days and 28 days. No extra compensation will be allowed for materials and work involved in fulfilling these requirements.

Concrete will be accepted on the basis of tests conducted on a "lot" of concrete. A lot will consist of 200 cubic yards and will be divided into four equal sublots. One set of tests will be made for each subplot. Random samples will be taken from the plastic concrete at the site in accordance with accepted statistical procedures.

The concrete shall be sampled in accordance with ASTM C172. The lot will be accepted without adjustment in payment if the average 28 day compressive strength, based on four acceptance tests, indicates a strength deficiency of not less than 100 psi. The pay factor for 28-day compressive strengths showing a deficiency greater than 100 psi are listed in the table below.

PAY FACTOR SCHEDULE FOR COMPRESSIVE STRENGTH AT THE SPECIFIED INTERVAL

Strength Deficiency (Based on an Average of 4 Cylinders) psi	Pay Factor (Percent of Contract Unit Price) psi
0 - 100	100
101 - 150	85
151 - 200	75
201 - 250	70
251 - 300	60
301 - 375	55
376 - 500	50
> 500	Reject

PART 4 - MEASUREMENT AND PAYMENT

4.1 MEASUREMENT:

- A. Concrete Pavement\Slab: The area of new pavement to be paid for shall be the number of square yards of various types and thickness of Concrete Pavement as specified, in place, complete and accepted, less deductions, as herein before described for deficient thickness or strength, including any thickened edges as shown on the plans.
- B. Curbs. Integral Curb or Curb and Gutter of the type and size specified shall be measured per linear foot complete in place excluding the face of inlets, but including transitions at recessed inlets.
- C. Headers. Concrete Pavement Headers shall be measured per linear foot complete in place.
- D. Sidewalks. Sidewalks shall be measured by the square foot of the thickness specified, complete and accepted in place, with or without lugs.

4.2 PAYMENT:

- A. The work performed and materials furnished under this section and measured as provided under Measurement will be paid for at the unit price bid per the bid proposal of the type and thickness as specified, or the adjusted unit price for payment of deficient thickness or strength as provided herein, which price shall be full compensation for shaping, furnishing, and applying all water required; for furnishing, loading, and unloading, storage, hauling and handling all concrete ingredients, and all freight and royalty involved; for mixing, placing, finishing, sawing, cleaning and sealing joints, and curing all concrete, for furnishing and installing all reinforcing steel; for furnishing all materials for sealing joints, steel dowel caps and load transmission devices required and wire and devices for placing, holding and supporting the steel bars, load transmission devices and joint filler material in proper position; for coating steel bars when required by the plans and for all manipulations, labor, equipment, appliances, tools, traffic provisions, and incidentals necessary to complete the work.

END OF SECTION

SECTION 02682 PNEUMATIC TIRE ROLLING

PART 1 - GENERAL

1.01 GENERAL DESCRIPTION OF WORK:

- A. This work shall consist of the compaction of embankment, flexible base, surface treatments, or pavements by the operation of approved pneumatic tire rollers.

PART 2 - PRODUCTS

2.01 GENERAL REQUIREMENTS:

- A. When used on seal coats, asphaltic surface treatments, and bituminous mixture pavements, the roller shall be self propelled and equipped with smooth tread tires with a tire pressure of 45 psi.
- B. The roller shall be so constructed as to be capable of being operated in both a forward and a reverse direction.
- C. When used on bituminous mixture pavements, the roller shall have suitable provision for moistening the surface of the tires while operating.
- D. When turning is impractical or detrimental to the work and when specifically directed by the ENGINEER, the roller shall be of the self-propelled type.
- E. In lieu of the rolling equipment specified, the CONTRACTOR may operate other compacting equipment that will produce equivalent relative compaction in the same period of time as the specified equipment. If the substituted compaction equipment fails to produce the desired compaction within the same period of time, its use shall be discontinued.
- F. Rollers shall be maintained in good repair and operating condition and shall be subject to approval of the ENGINEER.

2.02 LIGHT PNEUMATIC TIRE ROLLER:

- A. The light pneumatic tire roller shall consist of not less than 9 pneumatic tire wheels, running on axles in such manner that the rear group of tires will cover the entire gap between adjacent tires of the forward group, mounted in a rigid frame, and provided with a loading platform or body suitable for ballast loading.
- B. The front axle shall be attached to the frame in such manner that the roller may be turned within a minimum circle.

- C. Under working conditions the pneumatic tire roller shall have an effective rolling width of approximately 60 inches and shall be so designed that by ballast loading the total load can be varied uniformly from 9,000 pounds to 18,000 pounds.
- D. The roller shall be equipped with tires that will afford ground contact pressures to 45 pounds per square inch or more. The operating load and tire air pressure shall be within the range of the manufacturer's chart. The roller under working conditions shall provide a uniform compression under all wheels.
- E. Individual tire inflation pressures shall be within +5 psi of each other.
- F. The pneumatic tire roller shall be drawn by a suitable crawler type tractor, a pneumatic tired tractor, a truck of adequate tractive effort or may be of the self-propelled type and the roller, when drawn or propelled by either type of equipment, shall be considered a light pneumatic tire roller unit.

2.03 MEDIUM PNEUMATIC TIRE ROLLER (TYPE A):

- A. The medium pneumatic tire roller (Type A) shall consist of not less than 7 pneumatic tired wheels, running on axles in such manner that the rear group of tires will cover the entire gap between adjacent tires of the forward group and mounted in a rigid frame and provided with a loading platform or body suitable for ballast loading.
- B. The front axles shall be attached to the frame in such a manner that the roller may be turned within a minimum circle. The pneumatic tire roller, under working conditions, shall have an effective rolling width of approximately 84 inches and shall be so designed that, by ballast loading, the total load may be varied uniformly from 23,500 pounds to 50,000 pounds.
- C. The roller shall be equipped with tires that will afford ground contact pressures to 80 pounds per square inch or more. Individual tire inflation pressures shall be within +5 psi of each other.
- D. The operating load and tire air pressure shall be within the range of the manufacturer's chart.
- E. The pneumatic tire roller shall be drawn by a suitable crawler type tractor, a pneumatic tired tractor, a truck of adequate tractive effort or may be of the self-propelled type.
- F. The roller, when drawn or propelled by any type of equipment, shall be considered a medium pneumatic tire roller unit.

- G. The power unit shall have adequate tractive effort to properly move the operating roller at variable uniform speeds up to approximately 5 miles per hour.

2.04 MEDIUM PNEUMATIC TIRE ROLLER (Type B):

- A. The medium pneumatic tire roller (Type B) shall conform to the requirements for Medium Pneumatic Tire Roller (Type A) as specified above, except that the roller shall be equipped with tires that will afford ground contact pressures to 90 psi or more.

PART 3 -EXECUTION

3.01 CONSTRUCTION METHODS:

- A. The embankment layer or the base course be sprinkled if directed and rolling with a pneumatic tire roller shall start longitudinally at the sides and proceed towards the center, overlapping on successive trips by at least 1/2 of width of the pneumatic tire roller.
- B. On super-elevated curves, rolling shall begin at the low sides and progress towards the high sides.
- C. Alternative trips of the roller shall be slightly different in length.
- D. The light pneumatic tire roller shall be operated at speeds between 2 and 6 miles per hour for asphalt surfacing work and all other work.
- E. The medium pneumatic tire roller shall be operated at speeds which produce a satisfactory product.
- F. Sufficient rollers shall be provided to compact the material in a satisfactory manner. When operations are so isolated from one another that 1 roller unit cannot perform the required compaction satisfactorily, additional roller units shall be provided.

PART 4 - MEASUREMENT AND PAYMENT

4.01 MEASUREMENT AND PAYMENT:

- A. No additional compensation will be made for materials, equipment or labor required by this item, but shall be considered subsidiary to the various items of the contract.

END OF SECTION

SECTION 02686 PROOF ROLLING

PART 1 - GENERAL

1.01 GENERAL DESCRIPTION WORK:

- A. This work shall consist of furnishing and operating heavy, pneumatic-tired, compaction equipment for testing the compaction of embankment, subgrade or flexible base.
- B. Proof roll is to be used to locate unstable areas.

PART 2 - PRODUCTS

2.01 EQUIPMENT:

- A. The proof rolling equipment shall consist of not less than 4 pneumatic tired wheels, running on axles carrying not more than 2 wheels, mounted in a rigid frame, and provided with a loading platform or a body suitable for ballast loading.
- B. All wheels shall be arranged so that they will carry approximately equal loads when operating on uneven surfaces.
- C. Under working conditions the proof roller shall have a rolling width of 8 feet to 10 feet and shall be so designed that by ballast loading the gross load may be varied uniformly from 25 tons to 50 tons.
- D. The tires shall be capable of operating under the various loads with variable air pressure up to 150 pounds per square inch. The operating load and tire pressure shall be within the range of the manufacturer's chart and as directed by the ENGINEER.
- E. The proof roller may be of the self-propelled type or shall be drawn by a suitable crawler-type tractor or a rubber tired tractor of adequate tractive effort. There shall be a sufficient quantity of ballast available to load the equipment to a maximum gross weight of 50 tons.
- F. Rubber tired tractive equipment shall be used on base courses.
- G. Other type tractive equipment may be used on embankment subgrade.
- H. The heavy pneumatic tired roller unit shall be capable of turning 180 degrees in the crown width.

In lieu of the rolling equipment specified, the CONTRACTOR may, upon written permission from the ENGINEER, operate other equipment that will produce equivalent results as the specified equipment. If the substituted equipment fails to produce the desired results as would be expected of the specified equipment as determined by the ENGINEER, its use shall be discontinued.

PART 3 - EXECUTION

3.01 CONSTRUCTION METHODS:

- A. This work shall be done to proof all prepared subgrade and flexible base courses or as directed by the ENGINEER.
- B. On embankment compaction, each layer will be placed to specified thickness at optimum moisture and compacted with conventional equipment to comply with the requirements of the governing embankment item.
- C. Prior to placing the overlaying course, the layer shall be proof rolled as directed by the ENGINEER.
- D. When the operation of the proof rolling unit shows an area to be unstable or nonuniform, such area shall be brought to satisfactory stability and uniformity by additional compaction or by removal of unsuitable materials and replacement with suitable materials and re-compacted.
- E. The surface tested shall then be checked for conformity with line and grade and any irregularities corrected.
- F. Roller shall be operated at speeds between 2 and 6 miles per hour or as directed by the ENGINEER.

PART 4 - MEASUREMENT AND PAYMENT

4.01 MEASUREMENT AND PAYMENT:

- A. No additional payment will be made for the materials, equipment or labor required by this item and shall be considered subsidiary to the various items included in the contract.

END OF SECTION

SECTION 03300 CAST-IN-PLACE CONCRETE

PART 1 - GENERAL

1.01 GENERAL DESCRIPTION OF WORK COVERED:

- A. Mixing, placing, finishing and providing all related services necessary to construct all cast-in-place concrete work indicated on plans.

1.02 QUALITY ASSURANCE:

- A. Comply with the latest published edition of the American Concrete Institute (ACI) and American Society of Testing and Materials (ASTM) standards and codes. Applicable standards and codes include, but are not limited to, the following:
 - 1. ASTM A36 - Structural Steel.
 - 2. ASTM C33 - Concrete Aggregates.
 - 3. ASTM C39 - Concrete Strength of Molded Concrete Cylinders.
 - 4. ASTM C94 - Ready-Mixed Concrete.
 - 5. ASTM C143 - Slump of Portland Cement Concrete.
 - 6. ASTM C150 - Portland Cement Concrete.
 - 7. ASTM C309 - Liquid Membrane-Forming Compounds for Curing Concrete.
 - 8. ACI 301 - Specification for Structural Concrete for Building.
 - 9. ACI 304 - Recommended Practice for Measuring, Mixing, Transporting and Placing Concrete.
 - 10. ACI 315 - Manual of Standard practice for Detailing.
 - 11. ACI 318 - Building Code Requirements for Reinforced Concrete.
 - 12. ACI 347 - Recommended Practice for Concrete Formwork.
- B. Submit compliance submittals as specified in Division 1, including but not limited to the following: bar schedule, bar details, shop drawings including size and location of openings, waterstops, joint systems and curing method.
- C. Submit proposed concrete mix proportions to Engineer prior to placing concrete.

PART 2 - PRODUCTS

2.01 PORTLAND CEMENT:

- A. Type I, Type II or Type III, conforming to ASTM C150, as modified by Texas State Department of Highways and Public Transportation, 1982 Standard Specifications.
- B. Type I or II cement may be used unless Type II is specified.
- C. Except when Type II is specified, Type III may be used when the anticipated air temperature for the 12 hours following the placement of the concrete is not anticipated to exceed 60°F.

- D. Type III may be used in all pre-cast, pre-stressed concrete, except in piling when Type II cement is required for use as substructure concrete.
- E. All cement used in a monolithic placement shall be of the same type.
- F. Cements may be either bagged or bulk. Partially set or caked cement will be rejected.
- G. All types of cements shall be "low alkali" cements.

2.02 WATER:

- A. Water shall be clear, fresh, free from injurious amounts of oil, alkaline, acid or organic matter, or other deleterious substances and shall not contain more than 1000 parts per million of chlorides, as Cl, nor more than 1000 parts per million of sulfates, as SO₄.
- B. Water of known potable quality requires no testing. Other sources shall meet the requirements of AASHTO T-26.
- C. Water shall have a pH of not less than 4.5 or more than 8.5.

2.03 FINE AGGREGATE:

- A. Natural sand, manufactured sand or a combination of the two, with or without mineral filler.
- B. The sand, or mixture of sand, comprising a single fine aggregate, shall consist of clean, hard, durable, uncoated grains and shall be essentially free from clay lumps, salt or alkali, and other foreign material.
- C. The maximum permissible percentage, by weight of deleterious substances shall not exceed the following:

Material removed by decantation	3.0%
Other deleterious substances such as coal, shale, coated grains and soft flaky particles	3.0%

An additional loss of 2% by decantation may be allowed, provided this new additional loss is material of the same quality as specified for fine aggregate or mineral filler.

D. Gradation, percent of weight retained:

<u>Sieve Size</u>	<u>Percent Retained</u>
3/8 inch	0
No. 4	0 - 5
No. 8	0 - 20
No. 16	15 - 50
No. 30	35 - 75
No. 50	65 - 90
No. 100	90 - 100
No. 200	97 - 100

E. Fineness Modulus:

1. For Grade 1 only - 2.3 minimum, 3.1 maximum.

F. Mineral Filler:

1. May be added upon written authorization of Engineer
2. Shall be stone dust or clean crushed sand, or other approved inert material.
3. Shall not exceed 5% of the fine aggregate.
4. Shall meet the following requirements:
 - a. Passing No. 30 sieve 95 to 100%
 - b. Passing No. 100 sieve 70 to 100%

2.04 COARSE AGGREGATE:

- A. Crushed stone, gravel, crushed gravel, crushed blast furnace slag or a combination of these.
- B. Gravel and crushed gravel shall consist of clean, hard durable particles, free from adherent coating, thin or elongated pieces, soft or disintegrated particles, dirt, organic or deleterious substances, salt or alkali, and other foreign material.
- C. Crushed stone shall consist of the clean, dust free product resulting from the crushing of stone. There shall be no adherent coatings, clay, loam, organic or deleterious substances, salt or alkali, and other foreign material.
- D. The maximum permissible percentage, by weight, of deleterious substances shall not exceed the following:

Material removed by decantation	1.00%
Shale, Slate or other similar material	1.00%
Clay lumps	0.25%
Soft fragments	3.00%
Other deleterious substances, including friable, thin, elongated or laminated pieces	3.00%

The sum of all deleterious substances
exclusive of material removed by
decantation

5.00%

E. Coarse aggregates shall have a percent wear of not more than 45 when tested in accordance with Test Method Tex-410-A.

F. Gradation, percent of weight retained:

1. Grade No. 1 - Maximum Nominal Size 2 1/2-inches (63 mm)

<u>Sieve</u>	<u>Percentage Retained</u>
2 1/2-inches	0
2-inches	0 - 20
1 1/2-inches	15 - 50
3/4-inches	60 - 80
No. 4	95 - 100

2. Grade No. 2 - Maximum Nominal Size 1 1/2-inches (37.5 mm)

<u>Sieve</u>	<u>Percentage Retained</u>
2-inches	0
1 1/2-inches	0 - 5
3/4-inches	30 - 65
3/8-inches	70 - 90
No. 4	95 - 100

3. Grade No. 3 - Maximum Nominal Size 1-inch (25 mm)

<u>Sieve</u>	<u>Percentage Retained</u>
1 1/2-inches	0 - 5
3/4-inches	10 - 40
1/2-inches	40 - 75
No. 4	95 - 100

4. Grade No. 4 - Maximum Nominal Size 3/8-inch (9.5 mm)

<u>Sieve</u>	<u>Percentage Retained</u>
1/2-inches	0 - 5
3/8-inches	5 - 30
No. 4	75 - 100

G. Gradation Requirements - maximum size of aggregate for structural concrete shall not exceed three inches, and shall be reduced in size to meet the following conditions:

1. One-sixth (1/6) of the least dimension between forms of that part of the structure in which concrete is to be placed.
2. Three-fourths (3/4) of the clear space between reinforcement.
3. The maximum size aggregate is defined as the clear space between the

sides of the smallest square openings through which 95 percent of the weight of the aggregate can be passed.

4. Unless otherwise noted or restricted by above, the Grade No. 2 gradation shall be used.

2.05 PIT-RUN AGGREGATE:

- A. Pit-run aggregate is the natural gravel and sand obtained from pits without the addition of other fine or coarse aggregates, and shall consist of hard, durable, uncoated pebbles or stone particles mixed with sand.
- B. Pit-run aggregate shall be free from lumps of clay and injurious amounts of dust, shale, soft or flaky particles, salt and alkali.
- C. Pit-run aggregate shall be well graded from coarse to fine when tested by standard laboratory methods and shall meet the following minimum requirements for percentages by weight:
 1. Retained on 1/4 in sieve 55 to 60%
- D. Pit-run aggregate shall not be used for high-strength concrete of 3000 psi and stronger.
- E. Pit-run aggregate may be used only for concrete cushion, cradle and protection for pipe.

2.06 ADMIXTURES:

- A. Concrete admixtures shall comply with Section 03320.

2.07 REINFORCING STEEL:

- A. Reinforcing steel shall comply with Section 03330.

2.08 CURING MATERIALS:

- A. Liquid Membrane: white pigmented chlorinated rubber, ASTM C309.
- B. Liquid Membrane: resin base, clear compound, permitting application of paint, Servicised Products Corporation - Code 2802 or equal.
- C. Plastic Film: White pigmented, 0.00085-inches (minimum) thick.
- D. Burlap: jute fabric, lean, free of impurities.
- E. Surface Hardener: gray crystal, acidic fluosilicate base, slightly hygroscopic chemical surface hardener, SIKa Hardener, SIKa Chemical Corporation, or equal.

2.09 JOINT MATERIALS:

- A. Joint Sealer: hot poured, non-extruding, elastic, ASTM D1190.
- B. Preformed Expansion Joint Filler: non-extruding, bituminous fiber, ASTM D1751.

2.10 WATERSTOP:

- A. Polyvinyl chloride or rubber, centerbulb.
- B. Size to suit joinings, minimum 6-inches.

2.11 FORM MATERIALS:

- A. Use plywood, metal, metal framed plywood faced or other acceptable panel-type material.
- B. Coat forms with non-bonding, non-staining commercial compounds.

2.12 MOISTURE BARRIER:

- A. Polyethylene sheet, minimum 8-mil., ASTM E154.

2.13 CONCRETE MIX DESIGN AND CONTROL:

- A. Submit not less than 10 days prior to the start of concreting operations to the Engineer:
 - 1. Mix design, using a coarse aggregate factor acceptable to the Engineer.
 - 2. Sufficient samples of all materials to be incorporated into the mix for testing.
 - 3. Full description of the source of supply of each material component.
- B. Coarse aggregate factor:
 - 1. Not more than 0.82 when voids less than 48%.
 - 2. Not more than 0.85 when voids exceed 48%.
 - 3. Not less than 0.68.
- C. No changes or deviations from proportions or sources of supply without approval of Engineer.
- D. No concrete may be placed on the job site until the mix design has been approved by Engineer in writing to the Contractor.

2.14 CONCRETE QUALITY:

- A. Consistency:
 - 1. Mortar shall cling to the coarse aggregate.
 - 2. The aggregate shall not segregate during transport.

3. The concrete and mortar shall show no free water when removed from the mixer.
- B. The consistency should allow the completion of all finishing operations with the addition of water to the surface.
- C. The concrete shall be uniform, workable, cohesive, possess satisfactory finishing qualities and be of the stiffest consistency that can be placed and vibrated into a homogeneous mass.
- D. Excessive bleeding shall be avoided.
- E. Slump requirements shall be as follows:

<u>Structural Concrete</u>	<u>Average Slump</u>	<u>Maximum Slump</u>
1. Cased Drilled Shafts and Thin-walled Sections (9-inches or less)	4	5
2. Slabs, Caps, Columns, Piers, wall sections over 9-inches. etc.	3	4
3. Slip Form Paving	1/2	2
4. Underwater or Seal Concrete	5	6
5. Rip-rap, Curb, Gutter and other Miscellaneous Surfaces	As Specified By Owner	As Specified By Owner

NOTE: No concrete shall be permitted with slump in excess of the maximums shown. Any concrete mix failing to meet the above consistency requirements, although meeting the slump requirements shall be considered unsatisfactory; and the mix shall be changed to correct such unsatisfactory conditions.

- F. The concrete shall comply with Table 1 below:

TABLE 1 - CLASSES OF CONCRETE

Class Of Concrete	Minimum Maximum SX Cement Per CY	Minimum Comp. Strength 28-day PSI	Minimum Beam Strength 7-day psi ****	Maximum Water Cement Item 2.1.1 (c)(4)	Coarse Aggregate Number
A	5.0	3000	500	6.5	2-3-4
B	4.0	2000	330	8.0	2-3-4
C*	6.0	3600	600	6.0	1-2-3**
D	3.0	1500	250	11.0	2-3-4
E	6.0	3000	500	7.0	2-3
F	6.5	4200	700	5.5	2-3
H***	6.5 - 8.0	ASP	NA	5.5	3

ASP = As Specified on Plans.

*Entrained Air.

**No. 1 coarse aggregate may be used in foundations only (Except cased drilled shafts).

***Prestressed Concrete.

****ASTI C293 (Center Point).

2.15 GROUT:

A. Non-Shrink:

1. Use premixed non-shrink, Embeco Pre-Mixed Grout or Embeco Pre-Mixed Mortar by Master Builders Company or equal.
2. Keep water to a minimum for placing by the dry packing method.

PART 3 - EXECUTION

3.01 SUBGRADE:

- A. Insure subgrade is true to line and grade and compacted as specified.
- B. Fill and recompact any ruts or depressions.
- C. Check cross section with a template.
- D. Place moisture barrier or moisten subgrade prior to placing of concrete. Method to be approved by Engineer.

3.02 FORMS:

- A. Provide forms for all concrete work, including footings and base slabs.
- B. Construct forms so that completed concrete will conform to shapes, lines, grades and dimensions indicated and required.

- C. Forms shall be true, plumb and level with reasonably tight joints. Adequately support and brace forms.
- D. Place anchors, inserts, bolts, sleeves and other devices indicated or required for the various portions of all the work.
- E. Oil temporary forms with non-staining form oil before reinforcing steel is placed.
- F. Rough form finish as defined by ACI 301 permitted for concealed concrete.
- G. Smooth form finish as defined by ACI 301 permitted for concealed concrete.
- H. Provide 3/4 inch chamfer on exposed corners and edges, and 1-foot below ground level.

3.03 REMOVAL OF FORMS:

- A. Do not remove forms or supports until concrete has acquired sufficient strength to safely support its own weight and the superimposed loads.
- B. Remove formwork for columns, walls, beam sides and other parts not supporting the weight of the concrete as soon as the concrete has hardened sufficiently to resist damage from removal operations.
- C. Formwork for slabs, beam soffits and other parts supporting the weight of the concrete shall remain in place until the concrete has reached its specified 28-day strength.
- D. Protect concrete from damage prior to acceptance.
- E. Prohibit traffic until concrete is at least 10 days old.
- F. Cure areas previously covered by forms.

3.04 MIXING CONCRETE:

- A. Maintain all equipment, tools, and machinery used for hauling materials and performing any part of the work to insure completion of the work underway without excessive delays for repairs or replacement.
- B. Mixing shall be done in a mixer of adequate size and type to produce uniform distribution of the material throughout the mass.
- C. The mixer shall have a plate affixed showing the manufacturer's recommended operating data and it shall be operated within the speed and capacity limits stated thereon.
- D. The absolute volume of the concrete batch shall not exceed the rated capacity of the mixer.

- E. The entire contents of the drum shall be discharged before any materials are placed.
- F. Improperly mixed concrete will not be placed.
- G. The mixing time shall be in accordance with the recommendations of the mixer manufacturer.
- H. Transit Mix Concrete:
 - 1. Sufficient transit mix equipment shall be assigned exclusively to the project as required for continuous operation.
 - 2. Satisfactory evidence shall be furnished so that the delivery of concrete shall be continuous at regular and uniform intervals, without stoppage or interruption.
 - 3. Concrete shall not be placed on the job after a period of 1 hour after the cement has been placed in the mixer, with mixer turning; 30 minutes without turning.
- I. Continuous Volumetric Mix Concrete:
 - 1. A mobile, continuous, volumetric mixer of the rotating puddle type may be used for when approved by Engineer.
 - 2. Mixers shall be designed to receive all the concrete ingredients, including admixtures, required by the mix design in a continuous uniform rate and mixed to the required consistency before discharging.
 - 3. The mixers shall have adequate water supply and metering devices.
 - 4. Calibration of these mixers will be required.

3.05 PLACING CONCRETE:

- A. The minimum temperature of all concrete at the time of placement shall not be less than 50°F.
- B. Clean transporting equipment, reinforcing and embedded items before placing concrete.
- C. Batch trucks or paving equipment not permitted on prepared subgrade unless authorized by the Engineer based on actual job conditions.
- D. Place no concrete until after inspection of forms by Engineer.
- E. The maximum time interval between the addition of cement to the batch, and the placing of concrete in the forms shall not exceed the following:

<u>Air or Concrete Temperature</u>	<u>Non-Agitated Concrete</u>	<u>Maximum Time</u>
80°F or Above	26.6°C	15 minutes
35 to 79°F	1.6 to 26.1°C	30 minutes

<u>Air or Concrete Temperature</u>	<u>Agitated Concrete</u>	<u>Maximum Time</u>
90°F or Above	32.2°C	45 minutes
75 to 89°F	23.9 to 31.6°C	60 minutes
35 to 74°F	1.6 to 23.3°C	90 minutes

- F. Prevent segregation during placing.
- G. Consolidate flat work with one pass of mechanical vibrator moving parallel to centerline. Unusual section and widths may be hand puddled and finished.
- H. Place concrete continuously so that each pour unit will be monolithic in construction and will terminate at expansion, contraction or construction joint. Permit not more than 30 minutes between depositing adjacent batches.
- I. Place slab concrete over membrane before the waterproofing membrane becomes damaged or dirty.
- J. Concrete placement will not be permitted when impending weather conditions will impair the quality of the work.
- K. Slope horizontal surfaces of exterior concrete for drainage.
- L. Deposit concrete in forms in horizontal layers not deeper than 24 inches. Avoid inclined construction joints. Place each layer while preceding layer is still plastic to avoid cold joints.
- M. Consolidate concrete by mechanical vibrating equipment supplemented by hand-spading, rodding or tamping. Use equipment and procedures for consolidation of concrete in accordance with ACI 309.
- N. Do not use vibrators to transport concrete inside of forms. Insert and withdraw vibrators vertically at uniformly spaced locations not farther than visible effectiveness of machine. Place vibrators to penetrate placed layer of concrete and at least 6-inches into preceding layer. Do not insert vibrators into lower layers of concrete that have begun to set. Limit vibration to time necessary to consolidate concrete and complete embedment of reinforcement and other embedded items without causing segregation of mix.

3.06 PLACING CONCRETE IN WATER:

- A. Concrete shall be deposited in water only when specified on the plans or with written permission of the Engineer.

- B. The forms or cofferdams shall be sufficiently tight to prevent any water current passing through the space in which the concrete is deposited.
- C. Pump will not be permitted during the concrete placing, nor until it has set for at least 36 hours.
- D. The concrete shall be placed with a tremie, closed bottom-dump bucket or other approved method.
- E. The concrete shall not be allowed to fall freely through the water nor shall it be disturbed after it has been placed. Its surface shall be kept approximately level during placement.
- F. The tremie shall consist of a water-tight tube 14-inches or less in diameter. It shall be constructed so that the bottom can be sealed and opened after it is in place and fully charged with concrete. It shall be supported so that it can be easily moved horizontally to cover all the work area and vertically to control the concrete flow. The lower end of the tremie shall be submerged in the concrete at all times.
- G. Bottom-dump buckets used for underwater placing shall have a capacity of not less than one-half cubic yard. It shall be lowered gradually and carefully until it rests upon the concrete already placed and raised very slowly during the upward travel; the intent being to maintain still water at the point of discharge and to avoid agitating the mixture.
- H. The placing operations shall be continuous until the work is complete.
- I. Unless otherwise specified, all concrete placed under water, except seal concrete, shall contain an additional sack of cement per cubic yard.

3.07 JOINTS:

- A. Type 'A' (Contraction) Joints:
 - 1. Extend entirely across flat slabs at locations shown.
 - 2. Where location is not shown, maximum spacing is:
 - a. Driveways: 10-feet.
 - b. Sidewalks: 4-feet.
 - c. Other flat slabs: 20 times slab thickness.
 - 3. Saw depth not less than 1/4 slab thickness.
- B. Type 'B' (Isolation) Joint:
 - 1. Install where shown on the plans.
 - 2. Where location is not shown, place between all structures and features which project through, into or against slab.
 - 3. Install according to manufacturer's recommendations. Set material securely before placing concrete.
 - 4. Install 1/2-inch width unless shown otherwise.

C. Filling Joints:

1. Fill no later than 14 days after sawing.
2. Fill immediately following cleaning.
3. Fill to 1/8-inch of surface.
4. Remove excess while material is still pliable.
5. Refill low areas where necessary.
6. Omit filling sidewalk joints.

3.08 FINISHING EXTERIOR FLAT WORK:

- A. Strike off and float as required.
- B. Check surface with ten foot straight edge, maximum variance allowed is 1/8-inch.
- C. Drag concrete surface longitudinally with double thickness burlap drag after completion of straight edging unless noted otherwise.
- D. Use edger on edges of slab.
- E. Use hand finishing only when approved by Engineer.

3.09 FINISHING OTHER CONCRETE:

- A. Interior floors: smooth, steel-troweled finish. Use edger on exposed edges. Grind smooth defects which would telegraph through applied finish flooring.
- B. Exterior walks and steps: lightly broomed finish transverse to traffic flow. Use edger on exposed edges.
- C. Other surfaces:
 1. Remove fins, projections and loose material.
 2. Clean surfaces of form oil.
 3. Patch honeycomb, aggregate pockets, voids and holes as follows:
 - a. Chip out until sound concrete is exposed to minimum depth of 1-inch .
 - b. Prepare patching mortar with approximately two parts of normal Portland Cement, one part white cement, nine parts fine aggregate; vary proportions of aggregate as necessary to match color of adjacent concrete.
 4. Fill holes left by form ties to within 1 inch of surface with non-shrink grout. Fill remainder with patching mortar specified hereinbefore.
 5. Apply grout-cleaned finish to all exposed vertical surfaces. Wet surface and rub grout on surfaces with rubber or cork float. Scrape off excess grout and finish with brick rubbing or as approved by Engineer.
- D. Coordinate required finish with Engineer.

3.10 CURING:

- A. Contractor shall inform the Engineer fully of the methods and procedures proposed for curing; shall provide proper equipment and in adequate amounts; and shall have approval of the proposed method, equipment and materials prior to placing concrete.
- B. All concrete shall be cured for a period of 4 days except as noted herein.
 - 1. Exceptions to 4-day Curing.
 - a. Upper surfaces of Bridge Roadways, Median and Sidewalk Slabs, and Top Slabs of Direct Traffic Culverts require 8 curing days.
 - b. A curing day is defined as a calendar day when the ambient temperature, taken in the shade away from artificial heat, is above 50° F(10°C) for at least 19 hours. If the ambient temperature is 50° F or less, a curing day is accepted only if satisfactory provisions are made to maintain the temperature at all surfaces of the concrete above 40° Fahrenheit (4.4°C) for the entire 24 hours.
- C. Form Curing:
 - 1. When forms are left in contact with the concrete, other curing methods shall not be required except for cold-weather protection.
- D. Water Curing:
 - 1. All exposed surfaces of the concrete shall be kept wet continuously for the required curing time. The water used for curing shall meet requirements for concrete mixing water.
 - a. Wet Mat:
 - (1) Cotton mats shall be used for this curing method. The mats shall not be placed in contact with the concrete until such time that damage shall not occur to the surfaces.
 - (2) Damp burlap blankets made from 9-ounce stock may be placed upon the damp concrete surface for temporary protection prior to the application of the cotton mats.
 - (3) The mats may be placed by and wetted down after placement.
 - (4) Mat curing, except for continuous placements, shall commence not later than three hours after finishing of the roadway slab.
 - (5) The mats shall be weighted down adequately to provide continuous contact with all concrete surfaces where possible.
 - (6) The surfaces of the concrete shall be kept wet for the required curing time.
 - (7) Surfaces which cannot be cured by contact shall be enclosed with mats, anchored positively to the forms, or to the ground, so that outside air cannot enter the enclosure. Sufficient moisture shall be provided inside the enclosure to keep all surfaces of the concrete wet.
 - b. Water spray:
 - (1) This method shall be accomplished by overlapping sprays or

sprinklers, so that all unformed surfaces are kept continuously wet.

c. Ponding:

- (1) This method requires the covering of the surface with a minimum of two inches (5 cm) of clean granular material, kept wet at all times; or water to a minimum depth of one inch (2.5 cm). Satisfactory provisions shall be made to provide a dam to retain the granular material or water.

E. Membrane Curing

1. Unless otherwise shown on the plans, Type 2 membrane curing compound may be used where permitted.
2. A membrane shall be applied in a single, uniform coating at the rate of coverage recommended by the manufacturer and as approved by the Engineer, but not less than nine gallons per 210 feet (.0038M³ 63M) of area. Tests for acceptance shall be at this specified rate.
3. Membrane curing shall not be applied to dry surfaces; but shall be applied to horizontal surfaces just before free moisture has disappeared.
4. Formed surfaces and surfaces which have been given a first rub shall be dampened and shall be moist at the time of application of the membrane.

Structure Unit Description	REQUIRED		PERMITTED	
	Water for Complete Curing	Membrane for Interim Curing	Water for Complete Curing	Membrane for Interim Curing
Upper surfaces of bridge roadway; median <i>and</i> sidewalk slabs; top slabs of direct traffic culverts; top surface of any concrete unit upon which concrete is to be placed and bonded at a later interval (stub walls risers, etc.) Other super- structure concrete (curbs, wing-walls, parapet walls, etc.)	X	X		Resin Basin
Top surface of precast and/or prestressed piling	X	X		
All substructure con- crete culverts box sewers inlets man- holes retaining walls riprap	X	X		

*Polyethylene sheeting or burlap polyethylene mats fastened to prevent outside air from entering into the concrete shall be considered equivalent to water or membrane curing per this item.

5. When membrane is used for complete curing, the film shall remain unbroken for the minimum curing period specified. Membrane which is damaged shall be corrected immediately by reapplication of membrane.

3.11 TESTING:

- A. Furnish at least five cylinders or beams from each 50 cubic yard, or portion thereof for test purposes unless otherwise directed by Engineer. Test two cylinder at 7 days, test two cylinders at 28 days and test final cylinder only if needed for confirmation of compression strength.

3.12 MISCELLANEOUS CONCRETE ITEMS:

- A. Filling-in: fill in holes and openings left in concrete structures for passage of work by other trades, unless otherwise shown or directed, after work of other trades is in place. Use non-shrink grout as herein specified, to blend with in-place construction. Provide other miscellaneous concrete filling shown or required to complete work.
- B. Equipment bases and foundations: provide machine and equipment bases and foundations, as shown on drawings. Set anchor bolts for machines and equipment to template at correct elevations, complying with certified diagrams or templates of the manufacturer furnishing machines and equipment. Use non-shrink grout as shown on plans.
- C. Steel pan stairs: provide concrete fill for steel pan stair treads and landings and associated items. Cast-in safety inserts and accessories as shown on drawings. Screen, tamp and finish concrete surfaces as scheduled.
- D. Reinforced masonry: provide concrete grout for reinforced masonry lintels and bond beams where indicated on drawings and as scheduled. Maintain accurate location of reinforcing steel during concrete placement.

PART 4 - MEASUREMENT AND PAYMENT

4.01 MEASUREMENT:

- A. Cast-in-place concrete for the work shown on the plans shall be measured by the cubic yard as specified in the plans and contract.

4.02 PAYMENT:

- A. The accepted quantities of cast-in-place concrete shall be paid for at the unit bid price per cubic yard.
- B. The unit bid price shall be full compensation for furnishing, hauling, and mixing all concrete materials, including trial batches; placing curing and finishing all

concrete; for all grouting and joints; furnishing and placing all expansion and construction joints, except as provided in the plans; furnishing and placing metal flashing strips and waterstops; and for all forms and false-work, labor tools, equipment and incidentals necessary to complete the work.

- C. The preceding provisions for payment shall not be interpreted to provide payment of concrete in railing, piling, precast, prestressed concrete units or other concrete items of which provision is otherwise made in the contract.

*****END OF SECTION*****

SECTION 03310 SUPPLIED CONCRETE

PART 1 - GENERAL

1.01 GENERAL DESCRIPTION OF WORK COVERED:

A. This work shall consist of furnishing, hauling, and mixing concrete materials.

1.02 QUALITY ASSURANCE:

A. Comply with the latest published edition of the American Concrete Institute (ACI) and American Society of Testing and Materials (ASTM) standards and codes. Applicable standards and codes include, but are not limited to, the following:

1. ASTM C33 - Concrete Aggregates.
2. ASTM C39 - Concrete Strength of Molded Concrete Cylinders.
3. ASTM C94 - Ready-Mixed Concrete.
4. ASTM C143 - Slump of Portland Cement Concrete.
5. ASTM C150 - Portland Cement Concrete.
6. ACI 301 - Specification for Structural Concrete for Building.
7. ACI 304 - Recommended Practice for Measuring, Mixing, Transporting and

B. Submit proposed concrete mix proportions to Engineer prior to placing concrete.

PART 2 - PRODUCTS

2.01 PORTLAND CEMENT:

A. Conforming to ASTM C150, as modified by Texas Department of Transportation, 1993 Standard Specifications.

B. Cements may be either bagged or bulk. Partially set or caked cement will be rejected.

C. All types of cements shall be "low alkali" cements.

2.02 WATER:

- A. Water shall be clear, fresh, free from injurious amounts of oil, alkaline, acid or organic matter, or other deleterious substances and shall not contain more than 1000 parts per million of chlorides, as Cl, nor more than 1000 parts per million of sulfates, as SO₄.
- B. Water of known potable quality requires no testing. Other sources shall meet the requirements of AASHTO T-26.
- C. Water shall have a pH of not less than 4.5 or more than 8.5.

2.03 FINE AGGREGATE:

- A. Natural sand, manufactured sand or a combination of the two, with or without mineral filler.
- B. The sand, or mixture of sand, comprising a single fine aggregate, shall consist of clean, hard, durable, uncoated grains and shall be essentially free from clay lumps, salt or alkali, and other foreign material.
- C. The maximum permissible percentage, by weight of deleterious substances shall not exceed the following:

Material removed by decantation	3.0%
Other deleterious substances such as coal, shale, coated grains and soft flaky particles	3.0%

An additional loss of 2% by decantation may be allowed, provided this new additional loss is material of the same quality as specified for fine aggregate or mineral filler.

- D. Gradation, percent of weight retained:

<u>Sieve Size</u>	<u>Percent Retained</u>
3/8 inch	0
No. 4	0 - 5
No. 8	0 - 20
No. 16	15 - 50
No. 30	35 - 75
No. 50	65 - 90
No. 100	90 - 100
No. 200	97 - 100

E. Fineness Modulus:

1. For Grade 1 only - 2.3 minimum, 3.1 maximum.

F. Mineral Filler:

1. May be added upon written authorization of Engineer
2. Shall be stone dust or clean crushed sand, or other approved inert material.
3. Shall not exceed 5% of the fine aggregate.
4. Shall meet the following requirements:
 - a. Passing No. 30 sieve 95 to 100%
 - b. Passing No. 100 sieve 70 to 100%

2.04 COARSE AGGREGATE:

- A. Crushed stone, gravel, crushed gravel, crushed blast furnace slag or a combination of these.
- B. Gravel and crushed gravel shall consist of clean, hard durable particles, free from adherent coating, thin or elongated pieces, soft or disintegrated particles, dirt, organic or deleterious substances, salt or alkali, and other foreign material.
- C. Crushed stone shall consist of the clean, dust free product resulting from the crushing of stone. There shall be no adherent coatings, clay, loam, organic or deleterious substances, salt or alkali, and other foreign material.
- D. The maximum permissible percentage, by weight, of deleterious substances shall not exceed the following:

Material removed by decantation	1.00%
Shale, Slate or other similar material	1.00%
Clay lumps	0.25%
Soft fragments	3.00%
Other deleterious substances, including friable, thin, elongated or laminated pieces	3.00%
The sum of all deleterious substances exclusive of material removed by	5.00%

decantation

E. Coarse aggregates shall have a percent wear of not more than 45 when tested in accordance with Test Method Tex-410-A.

F. Gradation, percent of weight retained:

1. Grade No. 1 - Maximum Nominal Size 2 1/2-inches (63 mm)

<u>Sieve</u>	<u>Percentage Retained</u>
2 1/2-inches	0
2-inches	0 - 20
1 1/2-inches	15 - 50
3/4-inches	60 - 80
No. 4	95 - 100

2. Grade No. 2 - Maximum Nominal Size 1 1/2-inches (37.5 mm)

<u>Sieve</u>	<u>Percentage Retained</u>
2-inches	0
1 1/2-inches	0 - 5
3/4-inches	30 - 65
3/8-inches	70 - 90
No. 4	95 - 100

3. Grade No. 3 - Maximum Nominal Size 1-inch (25 mm)

<u>Sieve</u>	<u>Percentage Retained</u>
1 1/2-inches	0 - 5
3/4-inches	10 - 40
1/2-inches	40 - 75
No. 4	95 - 100

4. Grade No. 4 - Maximum Nominal Size 3/8-inch (9.5 mm)

<u>Sieve</u>	<u>Percentage Retained</u>
1/2-inches	0 - 5
3/8-inches	5 - 30
No. 4	75 - 100

G. Gradation Requirements - maximum size of aggregate for structural concrete shall not exceed three inches, and shall be reduced in size to meet the following conditions:

1. One-sixth ($1/6$) of the least dimension between forms of that part of the structure in which concrete is to be placed.
2. Three-fourths ($3/4$) of the clear space between reinforcement.
3. The maximum size aggregate is defined as the clear space between the sides of the smallest square openings through which 95 percent of the weight of the aggregate can be passed.
4. Unless otherwise noted or restricted by above, the Grade No. 2 gradation shall be used.

2.05 PIT-RUN AGGREGATE:

- A. Pit-run aggregate is the natural gravel and sand obtained from pits without the addition of other fine or coarse aggregates, and shall consist of hard, durable, uncoated pebbles or stone particles mixed with sand.
- B. Pit-run aggregate shall be free from lumps of clay and injurious amounts of dust, shale, soft or flaky particles, salt and alkali.
- C. Pit-run aggregate shall be well graded from coarse to fine when tested by standard laboratory methods and shall meet the following minimum requirements for percentages by weight:
 1. Retained on $1/4$ in sieve 55 to 60%
- D. Pit-run aggregate shall not be used for high-strength concrete of 3000 psi and stronger.
- E. Pit-run aggregate may be used only for concrete cushion, cradle and protection for pipe.

2.06 ADMIXTURES:

- A. Concrete admixtures shall comply with Section 03320.

2.07 CONCRETE MIX DESIGN AND CONTROL:

- A. Submit not less than 10 days prior to the start of concreting operations to the Engineer:
 1. Mix design, using a coarse aggregate factor acceptable to the Engineer.
 2. Sufficient samples of all materials to be incorporated into the mix for testing.

3. Full description of the source of supply of each material component.
- B. Coarse aggregate factor:
1. Not more than 0.82 when voids less than 48%.
 2. Not more than 0.85 when voids exceed 48%.
 3. Not less than 0.68.
- C. No changes or deviations from proportions or sources of supply without approval of Engineer.
- D. No concrete may be placed on the job site until the mix design has been approved by Engineer in writing to the Contractor.
- 2.08 CONCRETE QUALITY:
- A. Consistency:
1. Mortar shall cling to the coarse aggregate.
 2. The aggregate shall not segregate during transport.
 3. The concrete and mortar shall show no free water when removed from the mixer.
- B. The consistency should allow the completion of all finishing operations with the addition of water to the surface.
- C. The concrete shall be uniform, workable, cohesive, possess satisfactory finishing qualities and be of the stiffest consistency that can be placed and vibrated into a homogeneous mass.
- D. Excessive bleeding shall be avoided.
- E. Slump requirements shall be as follows:

<u>Structural Concrete</u>	<u>Average Slump</u>	<u>Maximum* Slump</u>
1. Cased Drilled Shafts and Thin-walled Sections (9-inches or less)	4	5
2. Slabs, Caps, Columns, Piers, wall sections over 9-inches, etc.	3	4
3. Slip Form Paving	1/2	2
4. Underwater or Seal Concrete	5	6
5. Sidewalks	4	5
6. Rip-rap, Curb, Gutter and other Miscellaneous Surfaces	As Specified By Owner	As Specified By Owner

* NOTE: No concrete shall be permitted with slump in excess of the maximums shown. Any concrete mix failing to meet the above consistency requirements, although meeting the slump requirements shall be considered unsatisfactory; and the mix shall be changed to correct such unsatisfactory conditions.

F. The concrete shall comply with Table 1 below:

TABLE 1 - CLASSES OF CONCRETE

Class Of Concrete	Minimum- Maximum SX Cement Per CY	Minimum Comp. Strength 28-day PSI	Minimum Beam Strength 7-day psi ****	Maximum Water Cement Item 2.1.1 (c)(4)	Coarse Aggregate Number
A	5.0	3000	500	6.5	2-3-4
B	4.0	2000	330	8.0	2-3-4
C*	6.0	3600	600	6.0	1-2-3**
D	3.0	1500	250	11.0	2-3-4
E	6.0	3000	500	7.0	2-3
F	6.5	4200	700	5.5	2-3
H***	6.5 - 8.0	ASP	NA	5.5	3

ASP = As Specified on Plans.

*Entrained Air.

**No. 1 coarse aggregate may be used in foundations only (Except cased drilled shafts).

***Prestressed Concrete.

****ASTI C293 (Center Point).

PART 3 - EXECUTION

3.01 MIXING CONCRETE:

- A. Maintain all equipment, tools, and machinery needed for timely production and delivery of concrete to job site.
- B. Mixing shall be done in a mixer of adequate size and type to produce uniform distribution of the material throughout the mass.
- C. The mixer shall have a plate affixed showing the manufacturer's recommended operating data and it shall be operated within the speed and capacity limits stated thereon.
- D. The absolute volume of the concrete batch shall not exceed the rated capacity of the mixer.
- E. The entire contents of the drum shall be discharged before any materials are placed.
- F. Improperly mixed concrete will not be placed.
- G. The mixing time shall be in accordance with the recommendations of the mixer manufacturer.
- H. Transit Mix Concrete:
 - 1. Sufficient transit mix equipment shall be assigned exclusively to the project as required for continuous operation.
 - 2. Satisfactory evidence shall be furnished so that the delivery of concrete shall be continuous at regular and uniform intervals, without stoppage or interruption.
 - 3. Concrete shall not be placed on the job after a period of 1 hour after the cement has been placed in the mixer, with mixer turning; 30 minutes without turning.
 - 4. All delivery trucks shall have batch tickets that clearly indicate the name of the supplier, the time the concrete was batched, the truck number, the design strength, the amount of concrete delivered in cubic yards, the amount of cement, the amount of water added at the batch plant and at the site, and the amount and type of any admixtures added to the mix.
- I. Continuous Volumetric Mix Concrete:

1. A mobile, continuous, volumetric mixer of the rotating puddle type may be used for when approved by Engineer.
2. Mixers shall be designed to receive all the concrete ingredients, including admixtures, required by the mix design in a continuous uniform rate and mixed to the required consistency before discharging.
3. The mixers shall have adequate water supply and metering devices.
4. Calibration of these mixers will be required.

3.02 TESTING:

- A. If directed by the Engineer, a trial batch shall be mixed for the purpose of testing the design mix. A total of two sets of four cylinders shall be obtained in accordance with ASTM C 31-95 from two separate samples of the trial batch for compressive strength tests in accordance with ASTM C 39-86. One cylinder from each set will be tested at 3 days and 7 days. The remaining two cylinders shall be tested at 28 days. The Engineer may also elect to have two sets of two beams constructed for flexural strength testing at 28 days in accordance with ASTM C 78-94.

PART 4 - MEASUREMENT AND PAYMENT

4.01 MEASUREMENT:

- A. Concrete supplied for work shown on approved plans shall be measured by the cubic yard.
- B. A delivery ticket indicating the name of the supplier, the time the concrete was batched, the truck number, the design strength, the amount of concrete delivered in cubic yards, the amount of cement, the amount of water added at the batch plant and at the site, and the amount and type of any admixtures added to the mix, shall be provided to the Engineer for all deliveries.

4.02 PAYMENT:

- A. The accepted quantities of supplied concrete shall be paid for at the unit bid price per cubic yard.
- B. The unit bid price shall be full compensation for furnishing and mixing all concrete materials, including trial batches and delivery.

END OF SECTION

SECTION 03320 CONCRETE ADMIXTURES

PART 1 - GENERAL

1.01 GENERAL DESCRIPTION OF WORK:

- A. This work shall consist of furnishing materials for use as admixtures in concrete.

PART 2 - PRODUCTS

2.01 AIR ENTRAINING ADMIXTURE:

- A. An "Air Entraining Admixture" is defined as a material which, when added to a concrete mixture in the correct quantity, will entrain uniformly dispersed microscopic air.
- B. This admixture shall conform to ASTM C 260, modified as follows:
 - 1. The cement used in any series of tests shall be either the cement proposed for specific work or a "reference" Type I cement from a mill.
 - 2. Unless otherwise indicated, the minimum relative durability factor shall be 80.
- C. The air entraining admixture used in the reference concrete shall be high quality neutralized Vinsol Resin.

2.02 WATER – REDUCING, RETARDING ADMIXTURE:

- A. A "Water-reducing, Retarding Admixture" is defined as a material which, when added to a concrete mixture in the correct quantity, will reduce the quantity of mixing water required to produce concrete of a given consistency and retard the initial set of the concrete.
- B. This mixture shall conform to ASTM C 494, Type A or D, modified as follows:
 - 1. The water-reducing retarder shall retard the initial set of the plastic concrete a minimum of 2 hours and a maximum of 4 hours when the materials are at a temperature of 90 F, the dosage rate specified by the manufacturer.
 - 2. The cement used in any series of tests shall be either the cement proposed for specific work or a "reference" Type I cement from one mill.
 - 3. All concrete tested shall contain entrained air.

2.03 WATER – REDUCING ADMIXTURE:

- A. A “Water-reducing Admixture” is defined as a material which, when added to a concrete mixture in the correct quantity, will reduce the quantity of mixing water required to produce concrete of a given consistency and required strength.
- B. This admixture shall conform to ASTM C 494, Type A.

2.04 ACCERLERATING ADMIXTURE:

- A. An “Accelerating Admixture” is defined as an admixture that accelerates the setting time and the early strength development of concrete.
- B. This admixture shall conform to ASTM C 494, Type C, modified as follows:
 - 1. The accelerating admixture will contain no chlorides and shall be used in the liquid form only.

2.05 HIGH – RANGE WATER REDUCING ADMIXTURES:

- A. “High-range Water Reducing Admixture,” referred to as a superplaster size, is defined as a synthetic polymer material which, when added to a low slump concrete mixture increases the slump without segregation, impermeability and durability of the mix.
- B. This admixture shall conform to ASTM C 494, Type F or G, modified as follows:
 - 1. It shall reduce the required water by a minimum of 15 percent.
 - 2. It shall increase the 7 day compressive strength of the concrete by a minimum of 25 percent.
- C. The admixture when added to the mix shall produce the following:
 - 1. Modify a low slump concrete, without the addition of water, to produce a slump which conforms to the range indicated.
 - 2. It shall prevent a temperature rise of the mix above 100 F during high ambient conditions.
 - 3. It shall not increase the chloride content of the mix.

2.06 CERTIFICATION:

- A. The CONTRACTOR shall submit the name of the admixture proposed and manufacturer's certification that products selected meet the requirements of this item and of ADTM C 260 and C 494 as required.
- B. If more than one admixture is proposed in the concrete mix, a statement of compatibility of components shall accompany certification.
- C. The ENGINEER may request additional information to be submitted such as infrared spectrophotometry scan, solids content, ph value, etc., for further identification.
- D. A change in formulation discovered by any of the tests prescribed herein or other means and not reported and retested, may be cause to permanently bar the manufacturer from furnishing admixtures for City of McAllen work.
- E. The ENGINEER reserves the right to perform any or all of the tests required by ASTM C 260 and C 494 as a check on the tests reported by the manufacturer.
- F. In case of any variance, the ENGINEER tests will govern.

2.07 APPROVAL:

- A. The ENGINEER shall approve all admixtures and dosage. Approval of admixtures shall be based on previous performance of the admixture.
- B. The dosage will be determined from the manufacturer's recommendations, trial mixes or current job approved mix designs, if it is shown that no substantial change in any of the proposed ingredients has been made.
- C. Should the CONTRACTOR desire to change the admixture or dosage approved during the progress of the work, the CONTRACTOR shall perform trial mixes at his own expense and submit the new mix design for approval.

PART 3 - EXECUTION

3.01 CONSTRUCTION METHODS:

- A. No concrete shall be delivered to the project until the mix design is approved. All concrete delivered shall conform to the approved job mix formula. Unless otherwise indicated, all concrete shall be air entrained. All admixtures will be added at the Batch Plant. All admixtures shall be in the liquid state. No admixtures shall be dispensed on dry aggregates. Each admixture shall be dispensed separately, but at the same time as the mixing water.

- B. An approved job mix formula for normal hot weather concreting may not perform satisfactory for extended retardation, in which case its use will not be permitted.
- C. The rotation of the mixer shall be sufficient to thoroughly mix the admixture into the concrete.
- D. Admixtures shall be agitated as required to prevent separation or sedimentation of solids. Air agitation of Neutralized Vinsol Resin will not be permitted.
- E. Normally Air entraining agents shall be charged into the mixer at the beginning of the batch and retarding or water reducing admixtures shall be charged into the mixer during the last part (approximately 1/3) of the batch when an air-entraining agent is used.
- F. Accelerating admixtures will be used only on the written approval of the ENGINEER. Accelerating admixtures will not be permitted in bridge decks, direct traffic culvert slabs at any time nor when Type II cement is specified.
- G. All admixtures shall be of the same brand from only one manufacturer for the entire project, unless otherwise approved by the ENGINEER.
- H Accelerators will be used only to meet special project requirements and will require the approval of the ENGINEER.
- I For individual placements of concrete of 25 cubic yards or more and for all ready-mix concrete, the admixture shall be measured and dispensed by a readily adjustable dispenser. When set to a predetermined volume, the dispenser shall fill to the preset amount and hold it positively without leakage until the operator releases the content into the mixing water by some positive means. Unless otherwise indicated, completely automatic dispensing will not be required, except for use with a fully automatic plant.
- J The calibrated container shall be a measuring reservoir of the type where the level of the admixture is visible at all times. A strip gauge with one ounce increments for air entraining admixtures, ten ounce increments for dispersing admixtures, shall be attached securely to the measuring apparatus. This strip shall be a material possessing weather resistant qualities. The accuracy equipment shall visibly show the total amount to be dispensed for ready check by the ENGINEER.
- K When individual placements of less than 25 cubic yards and with the concrete batched on the job site, the ENGINEER may waive the requirements for mechanical dispensing equipment.

L When high-range water reducing admixtures are indicated the following will be observed:

1. Ready-mix concrete shall be delivered in transit mixers and the capacity of the transit mixer shall be reduced for each batch by 25 percent of the rated capacity to assure proper mixing.
2. If during the placement of concrete, a change in slump resulting in a slump loss in excess of 3 inches is noted, the remaining concrete shall be rejected.
3. The addition of water will not be permitted at the job site.
4. Only one liquid admixture shall be used to achieve the desired results, except where air entrainment is indicated, the air entrainment agent will be permitted.
5. The concrete design shall meet the following requirements:

<u>Item</u>	<u>Test</u>	<u>Value</u>
Air entrainment	ASTM C 260	3 to 6 percent
High range water Reducing admixture	ASTM C 494 Type F or G	
Water cement ratio Gal/Sack Max.		6.25
Minimum cement content In Sacks (94 lb. Sack)		6.0
Coarse aggregate factor		6.5
Slump Maximum, inches		10
Flexural strength @ 7 days, psi		650
Maximum concrete Temperature, F		100

PART 4 - MEASUREMENT AND PAYMENT

- 4.01 No additional compensation will be made for the materials, equipment tests or methods required by this item, but shall be considered subsidiary to various items included in the contract.

END OF SECTION

SECTION 03330 REINFORCING STEEL

PART 1 - GENERAL

1.01 SCOPE:

This work shall consist of the furnishing and placing of reinforcing steel, deformed and smooth, of the size and quantity indicated and in accordance with these specifications.

PART 2 - PRODUCTS

2.01 BARS

A. Bar reinforcement shall be deformed and shall conform to ASTM A 615, A 616, Grades 40, 60 or 75 and shall be open-hearth, basic oxygen or electric furnace new billet steel, unless otherwise indicated. Large diameter new billet steel (Nos. 14 and 18), Grade 75, will be permitted for straight bars only.

B. Where bending of bar sizes No. 14 or No. 18 of Grades 40 or 60 is required, bend testing shall be performed on representative specimens as described for smaller bars in the applicable ASTM specification. The required bend shall be 90 degrees at a minimum temperature of 60 F around a pin having a diameter of 10 times the nominal diameter of the bar and shall be free of cracking.

C. Spiral reinforcement shall be either smooth or deformed bars or wire of the minimum diameter indicated. Bars for spiral reinforcement shall comply with ASTM A 675, A 615 or A 617. Wire shall comply with ASTM A 82. The minimum yield strength for spiral reinforcement shall be 40,000 psi.

D. In cases where the provisions of this item are in conflict with the provisions of the ASTM Designation to which reference is made, the provisions of this item shall govern.

E. Report of chemical analysis showing the percentages of carbon, manganese, phosphorus and sulfur will be required for all reinforcing steel when it is to be welded, except for drill shafts. No tack welding will be allowed. All welding shall conform to the requirements of AWS D-1-72.

F. The nominal size and area and the theoretical weight (lbs) of reinforcing steel bars covered by these specifications are as follows:

BAR SIZE NUMBER	NOMINAL DIAMETER (INCHES)	NOMINAL AREA (SQ INCHES)	WEIGHT PER LINEAR FOOT (POUNDS)
2	0.250	0.05	0.167
3	0.375	0.11	0.376
4	0.500	0.20	0.668
5	0.625	0.31	1.043
6	0.750	0.44	1.502
7	0.875	0.60	2.044
8	1.000	0.79	2.670
9	1.128	1.00	3.400
10	1.270	1.27	4.303
11	1.410	1.56	5.313
14	1.693	2.25	7.65
18	2.257	4.00	13.60

G. Smooth bars, larger than No. 4, may be steel conforming to the above or may be furnished in any steel that meets the physical requirements of ASTM A36.

H. Smooth, round bars shall be designated by size number through No. 4. Smooth bars above No. 4 shall be designated by diameter in inches.

2.03 WELDED WIRE FABRIC

A. Wire for fabric reinforcement shall be cold-drawn from rods hot-rolled from open-hearth, basic oxygen or electric furnace billet. Wire shall conform to the requirements of the standard Specifications for Cold-Drawn Steel Wire for Concrete Reinforcement, ASTM A82 or A 496. Wire fabric, when used as reinforcement, shall conform to ASTM A 185 or A 497.

B. When wire is ordered by size numbers, the following relations between size number, diameter in inches and area shall apply unless otherwise indicated:

SIZE W NUMBER	NOMINAL DIAMETER (INCH)	NOMINAL AREA (SQ INCHES)
31	0.628	0.310
30	0.618	0.300
28	0.597	0.280
26	0.575	0.260
24	0.553	0.240
22	0.529	0.220
20	0.505	0.200
18	0.479	0.180
16	0.451	0.160
14	0.391	0.140
12	0.391	0.120

10 SIZE W NUMBER	0.357 NOMINAL DIAMETER (INCH)	0.100 NOMINAL AREA (SQ INCHES)
8	0.319	0.080
7	0.299	0.070
6	0.276	0.060
5.5	0.265	0.055
5	0.252	0.050
4.5	0.239	0.045
4	0.226	0.040
3.5	0.211	0.035
3	0.195	0.030
2.5	0.178	0.025
2	0.160	0.020
1.5	0.138	0.015
1.2	0.124	0.012
1	0.113	0.010
0.5	0.080	0.005

C. When deformed wire is required, the size number shall be preceded by D and for smooth wire the prefix W shall be shown.

2.04 CHAIRS AND SUPPORTS

A. Chairs and Supports shall be steel, precast mortar or concrete block cast in molds meeting the approval of the ENGINEER of sufficient strength to position the reinforcement as indicated when supporting the dead load of the reinforcement, the weight of the workers placing concrete and the weight of the concrete bearing on the steel.

B. Chairs shall be plastic coated when indicated.

C. Chair types and uses shall be as follows:

Structural or Architectural Elements (columns, beams, walls, slabs) feet. exposed to weather, not subjected to sand blasting, water blasting or grinding.	Galvanized steel or steel chairs with plastic coated
Structural or Architectural Elements exposed to weather and subject to sand blasting, water blasting or grinding.	Stainless steel chairs.
Structural or Architectural Elements exposed to weather or corrosive conditions.	Uncoated steel chairs.

Slabs and grade beams cast on grade. Steel chairs with a base with 9 inch² minimum area or sufficient area to prevent the chair from sinking into fill or subgrade. Precast mortar or concrete blocks meeting the requirements of this item may be used.

2.05 BENDING

- A. The reinforcement shall be bent cold, true to the shapes indicated. Bending shall preferably be done in the shop.
- B. Irregularities in bending shall be cause for rejection.
- C. Unless otherwise indicated, the inside diameter of bar bends, in terms of the nominal bar diameter (d), shall be as follows:

1. Bends of 90 degrees and greater in stirrups, ties and other secondary bars that enclose another bar in the bend:

<u>Bar Number</u>	<u>Grade 40</u>	<u>Grade 50</u>
3, 4, 5	3d	4d
6, 7, 8	4d	5d

2. All bends in main bars and in secondary bars not covered above:

<u>Bar Number</u>	<u>Grade 40</u>	<u>Grade 60</u>	<u>Grade 75</u>
3 - 8	6d	6d	--
9, 10	8d	8d	--
11	8d	8d	8d
14, 18	10d	10d	--

2.06 STORAGE

- A. Steel reinforcement shall be stored above the surface of the ground upon platforms, skids or other supports and shall be protected as far as practicable from mechanical injury and surface deterioration caused by exposure to conditions producing rust.
- B. When placed in the work, reinforcement shall be free from dirt, paint, grease, oil or other foreign materials. Reinforcement shall be free from injurious defects such as cracks and laminations.
- C. Rust, surface seams, surface irregularities or mill scale will not be cause for rejection, provided the minimum dimensions, cross sectional area and tensile properties of a hand wire brushed specimen meets the physical requirements for the size and grade of steel indicated.

2.07 SPLICES

- A. No splicing of bars, except when indicated or specified herein, will be permitted without written approval of the ENGINEER.
- B. No substitution of bars will be allowed without the approval of the ENGINEER. Any splicing of substituted bars shall conform to Table 03330-1.
- C. Splices not indicated will be permitted in slabs no more than 15 inches in thickness, columns, walls and parapets, but not included for measurement, subject to the following:
1. Splices will not be permitted in bars 30 feet or less in plan length.
 2. For bars exceeding 30 feet in plan length, the distance center to center of splices shall not be less than 30 feet minus 1 splice length, with no more than 1 individual bar length less than 10 feet.
 3. Splices not indicated, but permitted hereby, shall conform to Table 03330-1. The specified concrete cover shall be maintained at such splices and the bars placed in contact and securely tied together.

Table 03330-1
Minimum Lap Requirements

<u>Bar Number</u>	<u>Grade 40</u>	<u>Grade 60</u>
3	1 foot 0 inches	1 foot 0 inches
4	1 foot 2 inches	1 foot 9 inches
5	1 foot 5 inches	2 feet 2 inches
6	1 foot 9 inches	2 feet 7 inches
7	2 feet 4 inches	3 feet 5 inches
8	3 feet 0 inches	4 feet 6 inches
9	3 feet 10 inches	5 feet 6 inches
10	4 feet 10 inches	7 feet 3 inches
11	5 feet 11 inches	8 feet 11 inches

- D. Spiral steel shall be lapped a minimum of 1 turn. Bar No. 14 and No. 18 may not be lapped.
- E. Welding of reinforcing bars may be used only where indicated or as permitted herein. all welding operations, processes, equipment, materials, workmanship and inspection shall conform to the requirements indicated. All splices shall be of such dimension and character as to develop the full strength of the bar being spliced.
- F. End preparation for butt welding reinforcing bars shall be done in the field, except Bar No. 6 and larger shall be done in the shop. Delivered bars shall be of sufficient length to permit this practice.

G. For box culvert extensions with less than 1 foot of fill, the existing longitudinal bars shall have a lap with the new bars as shown in Table 03330-1.

H. For box extensions with more than 1 foot of fill, a minimum lap of 6 inches will be required.

I. Unless otherwise indicated, dowel bars transferring tensile stress shall have a minimum embedment equal to the minimum lap requirements shown in Table 03330-1.

J. Shear transfer dowels shall have a minimum embedment of 12 inches.

PART 3 - EXECUTION

3.01 PLACING

A. Reinforcement shall be placed as near as possible in the position indicated. Unless otherwise indicated, dimensions shown for reinforcement are to the center of the bars.

B. In the plane of the steel parallel to the nearest surface of concrete, bars shall not vary from plan placement by more than 1/12 of the spacing between bars. In the plane of the steel perpendicular to the nearest surface of concrete, bars shall not vary from plan placement by more than 1/4 inch.

C. Cover of concrete to the nearest surface of steel shall be as follows:

<u>Item</u>	<u>Min. Cover (Inches)</u>
1. Concrete cast against and permanently exposed to earth.	3
2. Concrete exposed to earth or weather:	
Bar No. 6 through 18 bars	2
Bar No. 5, W31 or D31 wire and smaller	1-1/2
3. Concrete not exposed to weather or in contact with ground:	
(slabs, walls, joists)	
Bar No. 14 and 18	1-1/2
Bar No. 11 and smaller	1
(Beams, columns)	
Primary reinforcement, ties, stirrups, spirals	1-1/2
(Shells, folded plate members)	
Bar No. 6 and larger	1
Bar No. 5, W31 or D31 wire, and smaller	1

- D. Vertical stirrups shall always pass around the main tension members and be attached securely thereto. The reinforcing steel shall be spaced its required distance from the form surface by means of approved galvanized metal spacers, metal spacers with plastic coated tips, stainless steel spacers, plastic spacers or approved precast mortar or concrete blocks. For approval of plastic spacers on a project, representative samples of the plastic shall show no visible indications of deterioration after immersion in a 5 percent solution of sodium hydroxide for 120 hours.
- E. All reinforcing steel shall be tied at all intersections, except that where spacing is less than 1 foot in each direction, alternate intersections only need be tied. For reinforcing steel cages for other structural members, the steel shall be tied at enough intersections to provide a rigid cage of steel. Mats of wire fabric shall overlap each other 1 full space as a minimum to maintain a uniform strength and shall be tied at the ends and edges.
- F. Where prefabricated deformed wire mats are specified or if the CONTRACTOR requests, welded wire fabric may be substituted for a comparable area of steel reinforcing bar plan, subject to the approval of the ENGINEER.
- G. A suitable tie wire shall be provided in each block, to be used for anchoring to the steel. Except in unusual cases and when specifically authorized by the ENGINEER, the size of the surface to be placed adjacent to the forms shall not exceed 2 1/2 inches square or the equivalent thereof in cases where circular or rectangular areas are provided. Blocks shall be cast accurately the thickness required and the surface to be placed adjacent to the forms shall be a true plan, free of surface imperfections.
- H. Reinforcement shall be supported and tied in such a manner that sufficiently rigid cage of steel is provided. If the cage is not adequately supported to resist settlement or floating upward of the steel, overturning of truss bars or movement in any direction during concrete placement, permission to continue concrete placement will be withheld until corrective measures are taken. Sufficient measurements shall be made during concrete placement to insure compliance with the above.
- I. No concrete shall be deposited until the ENGINEER has reviewed the placement of the reinforcing steel and all mortar, mud, dirt, etc., shall be cleaned from the reinforcement, forms, workers' boots and tools.

PART 4 - MEASUREMENT AND PAYMENT

4.01 MEASUREMENT

- A. The measurement of quantities of reinforcement furnished and placed will be

based on the calculated weight of the steel actually placed as indicated, with

no allowance made for added bar lengths for splices requested by the CONTRACTOR nor for extra steel used when bars larger than those indicated or with a higher grade of steel are substituted with the permission of the ENGINEER.

- B. Tie wires and supporting devices will not be included in the calculated weights.
- C. The calculated weight of bar reinforcement will be determined using the theoretical bar weight set forth in this item.
- D. Measurement required by a change in design will be computed as described above for the actual steel required to complete the work.

4.02 PAYMENT

- A. The accepted quantities of reinforcing steel will be paid for at the contract unit bid price per pound complete in place.
- B. When not listed as a separate contract pay item, reinforcing steel shall be considered as incidental work, and the cost thereof shall be included in such contract pay item(s) as are provided in the proposal contract.
- C. Compensation, whether by contract pay item or incidental work, will be for furnishing, bending, fabricating, welding and placing reinforcement, for all clips, blocks, metal spacers, ties, chairs, wire or other materials used for fastening reinforcement in place and for all tools, labor, equipment and incidentals necessary to complete the work.

*****END OF SECTION*****



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 4.B.

DATE SUBMITTED: March 22, 2019

MEETING DATE: March 25, 2019

FROM: Omar Anzaldua, City Engineer

DEPARTMENT: Public Works

DIRECTOR:

Agenda Item: Consideration and action, if any, authorizing City Manager to negotiate and enter contract with the 2nd low bidder Border Pacific Railroad Company of Rio Grande City for the Supply Contract for the Purchase & Delivery of Stone Aggregate. (Project #1819-40-510-SP002-073)

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason: N/A

Issue: Staff recommends award to the next lowest bidder in order to not delay the St. Jude Parking lot project any further. Border Pacific Railroad Company is receptive to a one (1) year supply contract. (Bids stem from Project #1718-40-510-SP006-073)

Financial Consideration: Supply Contract material to be purchased as needed:
2nd Low Bidder \$22.20/ton

Staff Recommendation: Staff request authorization to award a Supply Contract to the 2nd low bidder Border Pacific Railroad Company of Rio Grande City for a period of one (1) year at a unit price of \$22.20 per ton. If awarded, staff is requesting authorization, with City Manager approval, to exercise the option to extend the contract for an additional two (2) years, in 1-year increments subject to satisfactory performance and the unit price remaining unchanged.

Alternatives: N/A

ROUTING:

Omar Anzaldua
Omar Anzaldua
Sandra Zamora
Patricia Rigney

Created/Initiated - 3/22/2019
Approved - 3/22/2019
Approved - 3/22/2019
Approved - 3/22/2019

Karla Moya
City Management Office

Approved - 3/22/2019
Final Approval - 3/22/2019



CITY OF PHARR

BID OPENING: JULY 19, 2018 AT 2:00 P.M.

LOCATION: City Commission Room

PROJECT #1718-40-510-SP006-073 SUPPLY CONTRACT FOR PURCHASE & DELIVERY OF STONE AGGREGATE

BIDDERS	IOC COMPANY EDINBURG, TX	★ BORDER PACIFIC RAILROAD COMPANY RIO GRANDE CITY, TX	UPPER VALLEY MATERIALS LLC PALMVIEW, TX	JOLVAZ LLC DBA RIO- TECH McALLEN, TX	VULCAN CONSTRUCTION MATERIALS INC. SAN ANTONIO, TX
BASE BID: FURNISH & DELIVER ASTM NO. 57 3/4" OPEN GRADED STONE					
UNIT PRICE PER TON	\$21.24	★ \$22.20	\$27.00	\$40.74	\$41.95
DELIVERY	1 DAY	5 WKG DAYS	1 DAY (24 HOURS)	2 DAYS (48 HOURS)	2 DAYS
ADDENDUM	ACKNOWLEDGED	ACKNOWLEDGED	ACKNOWLEDGED	ACKNOWLEDGED	ACKNOWLEDGED (LATE)



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #:

DATE SUBMITTED: March 21, 2019

MEETING DATE: March 25, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR:

Agenda Item: Pursuant to Section 551.071, the City may convene in a closed, non-public meeting with its attorney and discuss any matters related to **legal advice on pending or contemplated litigation, settlement offer, and/or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.** The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue:

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Hilda Pedraza

Created/Initiated - 3/21/2019



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #:

DATE SUBMITTED: March 21, 2019

MEETING DATE: March 25, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR:

Agenda Item: Pursuant to Section 551.072, the City may convene in a closed, non-public meeting to discuss any matters related to **real property and deliberate the purchase, exchange, lease, or value of real property as such would be detrimental to negotiations between the City and a third party in an open meeting**. The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue:

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Hilda Pedraza

Created/Initiated - 3/21/2019



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #:

DATE SUBMITTED: March 21, 2019

MEETING DATE: March 25, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR:

Agenda Item: Pursuant to Section 551.074, the City may convene in a closed, non-public meeting to discuss any matters related to **appointment, employment, evaluation, reassignment, duties and discipline or dismissal of a public officer or employee and to hear any complaints or charges against an officer or employee.** The City and its attorney may also discuss such issues with the appropriate staff including members so as to obtain necessary and relevant information so that such discussion is informative and developed.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue:

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Hilda Pedraza

Created/Initiated - 3/21/2019



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #:

DATE SUBMITTED: March 21, 2019

MEETING DATE: March 25, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR:

Agenda Item: Pursuant to Section 551.076, the City may convene in a closed, non-public meeting to discuss any matters on the **deployment, or specific occasions for implementation, of security personnel or devices**. The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue:

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Hilda Pedraza

Created/Initiated - 3/21/2019



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #:

DATE SUBMITTED: March 21, 2019

MEETING DATE: March 25, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR:

Agenda Item: Pursuant to Section 551.084, the City may convene in a closed, non-public meeting to discuss any matters involving an **investigation and may exclude a witness from hearing during the examination of another witness in the investigation.** The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue:

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Hilda Pedraza

Created/Initiated - 3/21/2019



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #:

DATE SUBMITTED: March 21, 2019

MEETING DATE: March 25, 2019

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR:

Agenda Item: Pursuant to Section 551.087, the City may convene in a closed, non-public meeting to discuss any matters regarding **economic development issues**.

The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Exclude Material from Public Packet? No

Reason:

Issue:

Financial Consideration:

Staff Recommendation:

Alternatives:

ROUTING:

Hilda Pedraza

Created/Initiated - 3/21/2019