



Agenda of Regular Meeting

The Board of Trustees McAllen Independent School District

VISION	The McAllen Independent School District is a multicultural community in which students are enthusiastically and actively engaged in the learning process. Students demonstrate academic excellence in a safe, nurturing and challenging environment enhanced by technology and the contributions of the total community.
MISSION	The mission of the McAllen Independent School District is to educate all students to become lifelong learners and productive citizens in a global society through a program of educational excellence utilizing technology and actively involving parents and the community.
GOALS	<ol style="list-style-type: none">1. Student Achievement/Student Focus2. People Development3. Facility Priorities4. Financial Priorities
STRATEGIES	<ol style="list-style-type: none">1. Branding2. Attract/Retain High Quality Staff3. Engaging Learning Environment4. Rigorous/World Class Standards to Customize for Every Learner5. Partnerships with Business/Civic/Education/Organizations6. Future Ready Students7. Financial Priorities

A Regular Meeting of the Board of Trustees of the McAllen Independent School District will be held Monday, April 11, 2022, beginning at 5:00 PM Texas Our Texas room/Staff Development Building, Achieve Early College High School, 1601 North 27th Street, McAllen, TX 78501.

Items listed on this agenda may be taken in an order other than as shown on this agenda. Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

At this meeting there may be discussion and action by the Board on the item(s) and subject(s) listed as follows:

1. **CALL MEETING TO ORDER**
2. **INVOCATION**
3. **PLEDGE OF ALLEGIANCE**
4. **PUBLIC COMMENT(S)**
5. **RECESS TO CLOSED SESSION: Board of Trustees may go into Closed Session pursuant to Section(s) 551.071, 551.072, and 551.074 Texas Government Code, to discuss the following:**
 - A) Human Resources Recommendation(s) for School Year 2021-2022
 - B) Human Resources Employee Resignation(s) for School Year 2021-2022
 - C) Director of Technology
 - D) Pending and/or Potential Litigation

- E) Possible Real Estate Acquisition
6. **RECONVENE IN OPEN SESSION**
7. **ACTION ON ITEM(S) IN CLOSED SESSION**
- A) Approval of Human Resources Recommendation(s) for School Year 2021-2022 6
 Item Submitted: Todd Miller, Assistant Superintendent Human Resources
Presenter: Dr. J. A. Gonzalez, Superintendent
- B) Human Resources Employee Resignation(s) for School Year 2021-2022 7
 Item Submitted: Todd Miller, Assistant Superintendent Human Resources
Presenter: Dr. J. A. Gonzalez, Superintendent
- C) Approval of the Director of Technology 8
 Item Submitted: Todd Miller, Assistant Superintendent Human Resources
Presenter: Dr. J. A. Gonzalez, Superintendent
- D) Pending and/or Potential Litigation
- E) Possible Real Estate Acquisition
8. **SUPERINTENDENT'S REPORT(S)**
Presenter: Dr. J. A. Gonzalez, Superintendent
9. **RECOGNITION(S)**
- A) Recognition of McAllen Independent School District and Business Services by the Texas Comptroller of Public Accounts for Transparency in Traditional Finances and Debt Obligations 9
 Item Submitted: Cynthia Medrano Richards, Assistant Superintendent Business Operations
Presenter: Dr. J. A. Gonzalez, Superintendent
10. **PROCLAMATION(S)**
- A) Approval of Proclamation Regarding Autism Awareness Month (April 2022) 10
 Item Submitted: Dr. Rosalba De Hoyos, Assistant Superintendent Instructional Services
Presenter: Dr. J. A. Gonzalez, Superintendent
- B) Approval of Proclamation Regarding Month of the Military Child (April 2022) 12
 Item Submitted: Dr. Rosalba De Hoyos, Assistant Superintendent Instructional Services
Presenter: Dr. J. A. Gonzalez, Superintendent
- C) Approval of Proclamation Regarding Occupational Therapy Month (April 2022) 14
 Item Submitted: Dr. Rosalba De Hoyos, Assistant Superintendent Instructional Services
Presenter: Dr. J. A. Gonzalez, Superintendent

11. **DONATION(S)**

12. **BOARD MEMBER(S), BOARD COMMITTEE(S) AND DISTRICT REPORT(S)**

A) Board Committee Reports

1. Instructional Services Briefing - Chair - Tony Forina
2. Human Resources Briefing - Chair - Marco Suarez
3. District Operations Briefing - Chair - Daniel Vela
4. Business Operations Briefing - Chair - Debbie Crane Aliseda
5. Board Officers Briefing - Sam Saldivar, Jr.

B) District Reports

1. Report Regarding Donation of Trees from The Center for Urban Ecology at Quinta Mazatlan 16
Item Submitted: Adel Felix, Interim Assistant Superintendent
District Operations
Presenter: Dr. J. A. Gonzalez, Superintendent
2. Report Regarding Taxes Collected for February 2022 17
Item Submitted: Cynthia Medrano Richards, Assistant Superintendent Business Operations
Presenter: Dr. J. A. Gonzalez, Superintendent
3. Report Regarding the Monthly Financial and Investment Report for February 2022 19
Item Submitted: Cynthia Medrano Richards, Assistant Superintendent Business Operations
Presenter: Dr. J. A. Gonzalez, Superintendent

13. **CONSENT AGENDA ITEMS**

- A) Approval of Interlocal Cooperation Contract No. 2023-009 University of Texas Rio Grande Valley for the Texas Pre Freshman Engineering Program (“TexPREP”) 48
Item Submitted: Dr. Rosalba De Hoyos, Assistant Superintendent Instructional Services
Presenter: Dr. J. A. Gonzalez, Superintendent
- B) Approval of Interlocal Cooperation Contract No. 2023-014 Migrant University Summer Experience (“MUSE”) with The University of Texas Rio Grande Valley (“UTRGV”) 56
Item Submitted: Dr. Rosalba De Hoyos, Assistant Superintendent Instructional Services
Presenter: Dr. J. A. Gonzalez, Superintendent
- C) Approval of Request for Proposal No. 2021-1007 Career and Technology Materials, Supplies, Equipment, and Related Services Discount-from-List (Round 12 and 13) 64
Item Submitted: Dr. Rosalba De Hoyos, Assistant Superintendent Instructional Services
Presenter: Dr. J. A. Gonzalez, Superintendent

- D) Approval of Interlocal Participation Agreement No. 2022-187 between Texas Association of School Boards Risk Management Fund and McAllen Independent School District 66
Item Submitted: Todd Miller, Assistant Superintendent Human Resources
Presenter: Dr. J. A. Gonzalez, Superintendent
- E) Approval of Competitive Sealed Proposal No. 2022-1040 Lamar Academy HVAC Improvements 73
Item Submitted: Adel Felix, Interim Assistant Superintendent District Operations
Presenter: Dr. J. A. Gonzalez, Superintendent
- F) Approval of Community Development Block Grant (“CDBG”) Agreement No. 2022-185 with the City of McAllen for an All-Inclusive Park at Jose de Escandon Elementary School 142
Item Submitted: Adel Felix, Interim Assistant Superintendent District Operations
Presenter: Dr. J. A. Gonzalez, Superintendent
- G) Approval of Interlocal Agreement No. 2022-186 with the City of McAllen for the Blanca E. Sanchez Elementary School All-Inclusive Park 158
Item Submitted: Adel Felix, Interim Assistant Superintendent District Operations
Presenter: Dr. J. A. Gonzalez, Superintendent
- H) Approval of Request for Proposal No. 2022-1039 Canopies and Related Products and Services 162
Item Submitted: Adel Felix, Interim Assistant Superintendent District Operations
Presenter: Dr. J. A. Gonzalez, Superintendent
- I) Approval of Request for Proposal No. 2022-1030 Fresh Produce for Child Nutrition Program 164
Item Submitted: Adel Felix, Interim Assistant Superintendent District Operations
Presenter: Dr. J. A. Gonzalez, Superintendent
14. **INSTRUCTIONAL SERVICES, INSTRUCTIONAL LEADERSHIP, HUMAN RESOURCES, DISTRICT OPERATIONS, BUSINESS OPERATIONS, AND BOARD OF TRUSTEES ITEMS**
- A) **Instructional Services Item(s)** (Dr. Rosalba De Hoyos) **Instructional Leadership Item(s)** (Bridgette Vieh)
- B) **Human Resources Item(s)** (Todd Miller)
- C) **District Operations Item(s)** (Adel Felix)
- D) **Business Operations Item(s)** (Cynthia Medrano Richards)
1. Approval of the McAllen Independent School District March Budget Amendment for Fiscal Year Beginning July 1, 2021 and Ending June 30, 2022 167

Item Submitted: Cynthia Medrano Richards, Assistant
Superintendent Business Operations

Presenter: Dr. J. A. Gonzalez, Superintendent

E) Board of Trustees Item(s)

- | | |
|---|-----|
| 1. Approval of Travel for Board of Trustees | 171 |
| 2. Approval of Board of Education Meeting Minutes | 172 |
| a) Regular Board Meeting - Monday, March 21, 2022 - 5:00 P.M. | |
| b) Special Board Meeting - Monday, March 28, 2022 - 5:00 P.M. | |
| c) Board Workshop - Monday, April 4, 2022 - 5:30 P.M. | |

15. SCHEDULE OF FUTURE MEETINGS

- A) Regular Board Meeting - Monday, April 25, 2022 - 5:00 P.M. - Texas Our Texas room at Staff Development Building at Achieve Early College High School
- B) Board Workshop - May 2, 2022 - 5:30 p.m. - Dr. Ricardo Chapa Board room at Administration Building
- C) Regular Board Meeting - May 9, 2022 5:00 P.M. - Texas Our Texas room at Staff Development Building at Achieve Early College High School
- D) Special Board Meeting - May 16, 2022 5:30 P.M. - Auditorium at McAllen High School
- E) Special Board Meeting- May 18, 2022 - 5:00 p.m. - Dr. Ricardo Chapa Board room at Administration Building
- F) Board Workshop - May 18, 2022 - 5:30 p.m. - Dr. Ricardo Chapa Board room at Administration Building
- G) Regular Board Meeting - May 23, 2022 5:00 P.M. - Texas Our Texas room/Staff Development Building at Achieve Early College High School

16. CLOSED SESSION: The Board of Trustees may reconvene in Closed Session for further discussion regarding the agenda item(s) listed.

17. OPEN SESSION: The Board of Trustees may reconvene into Open Session for discussion regarding the agenda item(s) listed.

18. ADJOURNMENT

If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.

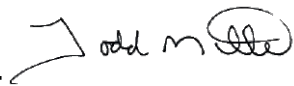
The notice for this meeting was posted in compliance with the Texas Open Meeting Act on April 8, 2022 at 3:00P.M.

*Natalia Goza
on behalf of the Board of Trustees*

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: _____

SUPERVISOR: 

Approved for presentation to the Board of Education:

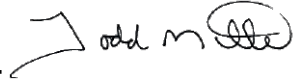


6 _____
Superintendent of Schools **Apr 6, 2022**

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: _____

SUPERVISOR: 

Approved for presentation to the Board of Education:

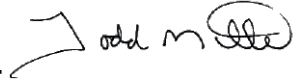


7 _____
Superintendent of Schools **Apr 6, 2022**

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: _____

SUPERVISOR: 

Approved for presentation to the Board of Education:



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Superintendent of Schools Apr 6, 2022

**BOARD RECOGNITION FORM
McALLEN INDEPENDENT SCHOOL DISTRICT**

Meeting Date (Recommended): April 11, 2022

Title of Recognition: Recognition of McAllen Independent School District and Business Services by the Texas Comptroller of Public Accounts for Transparency in Traditional Finances and Debt Obligations

Person(s) Being Recognized (include names & description i.e student at X High School):

Payroll Department:

Claudia Garza - Coordinator for Payroll
Ashley Jaime - Director of Payroll

Accounting Department:

Dyanira Diaz - Interim Director of Accounting

Business Office:

Janie Brooks - Specialist Budget & Cost
Rosie Diaz - Specialist District Budget
Grace Suarez-Villescas - Coordinator for Budget
Iris Luna - Interim Chief Financial Officer

Reason for Recognition:

The Texas Comptroller of Public Accounts awards McAllen ISD and Business Services the Transparency Stars in the areas of both Traditional Finances and Debt Obligations for exemplary efforts in creating financial transparency around public services, spending decisions and public debt.

The Transparency Stars program recognizes local governments across Texas that are striving to meet a high standard for financial transparency online. These efforts provide citizens with clear, consistent information about public spending in user-friendly formats.

Please note any items that will be presented:

Certificates

Photographer Requested: Yes

AV needs:

Name of Presenter: Cynthia Richards
Phone: 956-688-5418
eMail: cindy.richards@mcallenisd.net

Approved for Recognition: _____
Superintendent



PROCEDURE FOR BOARD RECOGNITION

1. Fill out "Board Recognition Form" in its entirety at least 12 working days before the recommended date for presentation.
2. Submit completed form to Community Information Office with a cc to immediate supervisor and the Secretary to the Board of Trustees

Following the superintendent's executive team approval, confirmation of recognitions (year-at-a-glance) will be done via e-mail each week. Honorees are instructed to report to the Community Information office at 5:15 p.m. on their designated Board Meeting date.

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: *Maribelle Elizondo*
Maribelle Elizondo (Apr 6, 2022 10:30 CDT)

SUPERVISOR: *Rosalba De Hoyos*

Approved for presentation to the Board of Education:

J. X. O'Connell

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Superintendent of Schools Apr 6, 2022



Proclamation

State of Texas
County of Hidalgo
McAllen Independent School District

Whereas, December 18, 2007 the United Nations General Assembly adopted resolution 62/139 World Autism Awareness Day by unanimous consent, encouraging United Nation Members States to take measures to raise awareness about autism throughout society; and

Whereas, the resolution designates World Autism Awareness Day as a United Nations Day to be observed every year starting in 2008 to raise global awareness of autism; and

Whereas, the aims for World Autism Awareness Day is to inform the general public about the global health crisis of autism, stress the importance of early diagnosis and early intervention, and to celebrate the unique talents and qualities of individuals with autism;

Now Therefore, I, Tony Forina, Vice-President, Board of Trustees of the McAllen Independent School District, do hereby proclaim that the month of April 2022 be observed as:

“Autism Awareness Month”

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the McAllen Independent School District to be affixed on this 11th day of April 2022.

Tony Forina, Vice-President, Board of Trustees
McAllen Independent School District

Attest:

Debbie Crane Aliseda, Secretary, Board of Trustees
McAllen Independent School District

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBJECT: Approval of Proclamation Regarding Month of the Military Child (April 2022)

REFERENCE: Goal 1: Student Achievement/Student Focus

BACKGROUND INFORMATION/REASON FOR BOARD CONSIDERATION:

April is the month of the Military Child. During the Month of the Military Child, we appreciate families and their children for the sacrifices they make at home while their loved ones are out serving their country. Purple Up Day "For Military Kids" initiative designates a given day in April to wear the color purple to recognize the children of military families. Wearing purple is a visible way to show support and thank military youth for their strength and sacrifices. The color purple represents a combination of all the branches of the military.

April 14, 2022 was designated and observed as Purple Up Day in McAllen ISD.

ADMINISTRATIVE CONSIDERATIONS/FACTS AND ANALYSIS: N/A

LEGAL REVIEW: None Required.

BUDGETARY CONSIDERATIONS: None Required.

RECOMMENDED BOARD ACTION: That the Board of Trustees approve the Proclamation Regarding Month of the Military Child (April 2022).

SUBMITTED BY: 
Norma Cabrera (Apr 6, 2022 12:57 CDT)

SUPERVISOR: *Rosalba De Hoyos*

For further information contact:
Name: Norma Cabrera
Office: (956) 618-6098
eMail: norma.cabrera@mcallenisd.net

Approved for presentation to the Board of Education:



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Superintendent of Schools Apr 6, 2022



Proclamation

*State of Texas
County of Hidalgo
McAllen Independent School District*

Whereas, as Americans, we owe a tremendous debt to those who serve to protect and promote our freedom. It is important to remember the men and women in uniform are not alone in making sacrifices; their families, specially their children, are together in the sacrifice; and

Whereas, Each April we make a special effort to applaud military families and pay tribute to the resilient nature of military children; and

Whereas, Purple Up! For Military connected students on April 14th designated to observe the strength and sacrifices of military children across the country;

Now Therefore, I, Conrado Alvarado, Member, Board of Trustees of the McAllen Independent School District, do hereby proclaim that the month of April 2022 be observed as:

“Month of the Military Child”

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the McAllen Independent School District to be affixed on this 11th day of April 2022.

Conrado Alvarado, Member, Board of Trustees
McAllen Independent School District

Attest:

Debbie Crane Aliseda, Secretary, Board of Trustees
McAllen Independent School District

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBJECT: Approval of Proclamation Regarding Occupational Therapy Month (April 2022)

REFERENCE: Goal 2: People Development

BACKGROUND INFORMATION/REASON FOR BOARD CONSIDERATION:

To proclaim April as Occupational Therapy Month. We would like to recognize the hard work and dedication our Occupational therapists do for our students.

ADMINISTRATIVE CONSIDERATIONS/FACTS AND ANALYSIS: N/A

LEGAL REVIEW: None Required.

BUDGETARY CONSIDERATIONS: None Required.

RECOMMENDED BOARD ACTION: That the Board of Trustees approve the Proclamation Regarding Occupational Therapy Month (April 2022).

SUBMITTED BY: *Maribelle Elizondo*
Maribelle Elizondo (Apr 6, 2022 10:30 CDT)

SUPERVISOR: *Rosalba De Hoyos*

For further information contact:
Name: Maribelle Elizondo
Office: (956) 632-3285
eMail: maribell.elizondo@mcallsisd.net

Approved for presentation to the Board of Education:

J. X. Douglas



Proclamation

State of Texas
County of Hidalgo
McAllen Independent School District

Whereas, the American Occupational Therapy Association has declared the month of April to be known as Occupational Therapy Month, and

Whereas, the profession of occupational therapy makes valuable contributions in helping people "Live Life to Its Fullest" after an illness or injury, and

Whereas, the health of our citizens and students depend upon the effective use of health care resources, including those services of occupational therapists and their assistants;

Now Therefore, I, Sam Saldivar Jr., President, Board of Trustees of the McAllen Independent School District, do hereby proclaim that the month of April 2022 be observed as:

“Occupational Therapy Month”

At this time, I urge all residents to recognize the opportunity McAllen Independent School District offers our students through our Occupational Therapists and call upon all citizens to recognize the achievements and contributions of these valued health professionals. It is through work and collaboration of staff and students, with the support of their parents, that we contribute to the success of our young students and to the future of McAllen ISD.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the McAllen Independent School District to be affixed on this 11th day of April 2022.

Sam Saldivar Jr., President, Board of Trustees
McAllen Independent School District


Attest:

Debbie Crane Aliseda, Secretary, Board of Trustees
McAllen Independent School District

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: 

SUPERVISOR: 

Approved for presentation to the Board of Education:




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Superintendent of Schools

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: 

SUPERVISOR: 

Approved for presentation to the Board of Education:



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Superintendent of Schools

PABLO "PAUL" VILLARREAL JR., ASSESSOR & COLLECTOR
 MCALLEN I.S.D. TAXES COLLECTED FOR:
 FEBRUARY 2022

COMPARATIVE RATE OF COLLECTIONS

MCALLEN I.S.D. SML - 47	ORIGINAL TAX LEVY	COLLECTED TO DATE	DROPPED YRS AFTER PURGE	MODIF. TO DATE	TAXES OUTSTANDING	PERCENT 2021/2022	COLLECTED 2020/2021
2021 TAX ROLL	90,489,805.41	87,536,770.11	-	2,457,915.51	5,410,950.81	94.18%	92.57%
2020 & PRIOR YRS ROLLBACK	7,560,005.85	1,988,004.84	(107,522.35)	(464,771.88)	4,999,706.78	28.45%	27.63%
	50,678.80	50,596.59	-	18,312.79	18,395.00	73.34%	60.73%
TOTALS	98,100,490.06	89,575,371.54	(107,522.35)	2,011,456.42	10,429,052.59		

BREAKDOWN OF TAX COLLECTIONS AND FEES FOR THE MONTH OF FEBRUARY 2022

	MCALLEN ISD	MONTHLY MODIFICATIONS
CURRENT YEAR-BASE TAX	12,939,902.26	(62,762.77) CURRENT
CURRENT YEAR-P&I	226,350.23	
PRIOR YEARS-BASE TAX	94,232.96	(28,720.83) PRIOR
PRIOR YEARS-P&I	38,610.90	
ROLLBACK		ROLLBACK
ROLLBACK P&I	-	
ATTORNEY FEES	21,372.34	PURGED
TOTAL COLLECTIONS	13,320,468.69	(91,483.60)
LESS TRANSFERRED	12,477,422.21	
LESS IN TRANSIT	829,002.49	
LESS DUE TO HCAD COMM FEES	848.99	
LESS DUE TO CO TREASURER	13,195.00	
BALANCE	0.00	

*****AFFIDAVIT*****

I, PABLO "PAUL" VILLARREAL JR., ASSESSOR-COLLECTOR OF TAXES FOR THE MCALLEN I.S.D., DO SOLEMNLY SWEAR THAT THE ABOVE STATEMENT OF TAXES COLLECTED BY ME FOR THE MONTH OF FEBRUARY IS CORRECT.

Pablo (Paul) Villarreal Jr.

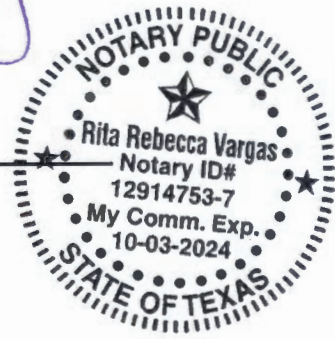
 ASSESSOR-COLLECTOR OF TAXES FOR MCALLEN I.S.D., TEXAS



SWORN AND SUBSCRIBED BEFORE ME THIS 10TH DAY OF MARCH 2022 A.D.

Rita Rebecca Vargas

 NOTARY PUBLIC, HIDALGO COUNTY, TEXAS



**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: 

SUPERVISOR: 

Approved for presentation to the Board of Education:



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Superintendent of Schools

**COMPARISON OF BUDGET TO REVENUES, EXPENDITURES AND ENCUMBRANCES
FOR THE MONTH OF FEBRUARY 28, 2022**

	A	B	C	D	E	F	G	H
	APPROVED BUDGET 2020-21 02/28/21	YTD ACTUAL 07/01/20 TO 02/28/21	APPROVED BUDGET 2021-22 02/28/22	YTD ACTUAL 07/01/21 TO 02/28/22	DIFFERENCE C - D	OUTSTANDING ENCUMBRANCES 03/01/22 TO 06/30/22	YTD REVENUES, EXPENSES AND ENCUMBRANCES D + F	BUDGET LESS EXPENSES AND ENCUMBRANCES C - G
REVENUES:								
LOCAL AND INTERMEDIATE SOURCES	\$3,692,530	\$1,426,058	\$3,200,079	\$1,724,566	\$1,475,513		\$1,724,566	\$1,475,513
PROPERTY TAXES	79,823,682	77,507,289	84,196,013	82,623,531	1,572,482		82,623,531	1,572,482
STATE PROGRAM REVENUES	137,374,797	74,791,040	117,328,186	64,989,054	52,339,132		64,989,054	52,339,132
FEDERAL PROGRAM REVENUES	19,964,409	13,477,556	28,724,800	16,351,204	12,373,596		16,351,204	12,373,596
OTHER RESOURCES/NON-OPERATING REVENUES	6,285,690	6,458,884	202,697	218,742	(16,045)		218,742	(16,045)
SUB TOTAL	\$247,141,108	\$173,660,826	\$233,651,775	\$165,907,098	\$67,744,677		\$165,907,098	\$67,744,677
EXPENDITURES:								
11 INSTRUCTION	\$131,016,952	\$78,988,433	\$125,962,518	\$28,612,287	\$97,350,231	\$51,600,335	\$80,212,622	\$45,749,896
12 INST. RES. & MEDIA SERVICES	3,629,843	2,312,481	3,437,950	1,809,115	1,628,835	1,408,824	3,217,938	220,012
13 CURRICULUM DEV. & INST. STAFF DEV.	5,240,212	2,724,042	4,814,431	2,473,266	2,341,165	1,051,772	3,525,038	1,289,393
21 INST. LEADERSHIP	3,203,060	1,690,577	3,308,022	1,824,514	1,483,508	1,022,305	2,846,819	461,203
23 SCHOOL LEADERSHIP	13,823,801	8,890,508	13,332,370	7,816,867	5,515,503	4,587,755	12,404,622	927,748
31 GUID., COUNSELING & EVAL. SER.	9,972,308	5,951,083	9,942,352	5,102,341	4,840,011	3,894,161	8,996,502	945,850
32 SOCIAL WORK SERVICES	1,949,245	1,218,948	2,068,755	1,147,829	920,926	754,790	1,902,618	166,137
33 HEALTH SERVICES	3,129,417	1,902,222	3,050,858	1,457,727	1,593,131	1,200,826	2,658,553	392,305
34 STUDENT (PUPIL) TRANS.	4,825,668	2,376,105	4,524,638	3,383,803	1,140,835	323,388	3,707,191	817,447
35 FOOD SERVICES	19,374,472	13,135,939	19,119,670	10,014,675	9,104,995	5,527,305	15,541,979	3,577,691
36 CURRICULAR/EXTRACURRICULAR ACT.	9,591,364	4,468,100	10,161,289	4,838,945	5,322,344	2,811,460	7,650,405	2,510,884
41 GENERAL ADMINISTRATION	8,757,340	5,269,845	8,648,092	5,094,566	3,553,526	1,977,422	7,071,988	1,576,104
51 PLANT MAINT. & OPERATIONS	22,437,949	12,727,787	26,501,862	14,323,044	12,178,818	4,840,669	19,163,713	7,338,149
52 SECURITY AND MONITORING SERV.	5,067,296	2,746,769	5,511,427	3,098,606	2,412,821	1,455,798	4,554,404	957,023
53 DATA PROCESSING SERVICES	6,899,155	3,834,325	6,433,349	3,660,056	2,773,293	2,482,805	6,142,861	290,488
61 COMMUNITY SERVICES	56,161	21,528	96,491	36,324	60,167	52,089	88,413	8,078
71 DEBT SERVICE	7,078,590	5,578,360	9,400,727	8,014,479	1,386,248	181,139	8,195,619	1,205,108
81 FAC. ACQUISITION & CONST.	938,018	333,972	3,685,756	501,624	3,184,132	963,953	1,465,577	2,220,179
95 PMT. TO JUV. JUSTICE ALT. ED. PRG.	40,000	40,000	40,000	40,000	0	0	40,000	0
99 OTHER INTERGOVERNMENTAL CHARGES	906,079	675,174	939,270	696,679	242,591	234,699	931,378	7,892
00 OTHER USES/NON-OPERATING EXPENSES	2,659,330	500,000	123,223	38,223	85,000	0	38,223	85,000
SUB TOTAL	\$260,596,260	\$155,386,198	\$261,103,050	\$103,984,970	\$157,118,080	\$86,371,494	\$190,356,464	\$70,746,586
REVENUES OVER (UNDER) EXPENDITURES		\$18,274,628		\$61,922,128				
BEGINNING FUND BALANCE		97,700,231		107,594,997				
PRELIMINARY ENDING FUND BALANCE		<u>\$115,974,859</u>		<u>\$169,517,125</u>				
OPTIMUM FUND BALANCE FOR UNFORESEEN EVENTS		\$103,042,102		\$104,077,381				



Monthly Investment Report

PREPARED FOR MCALLEN ISD

FEBRUARY 28, 2022



**PATTERSON
& ASSOCIATES**

A MEEDER INVESTMENT MANAGEMENT COMPANY

21

WITH YOU. FOR YOU.

Geopolitical issues increase volatility

Geopolitical issues have intensified at month end and are dominating the markets as well as the headlines.

The global markets have been struggling as the Russian invasion of Ukraine intensifies, but the impact is clearly bullish for US Treasuries as investors flee to safety. The equity markets have been whipsawed unmercifully, but the bond markets are also not immune as we watch the 10 year's volatility. The US dollar and the Japanese yen are considered the best safe havens for assets with such threats so are reacting to hourly news.

The news of Russian nuclear forces moving to high alert has moved the markets to its highest volatility yet. That modified investors views as they realized that the war will inevitably have an impact on the US economy.

International coordinated sanctions are mounting. They are designed to impose immediate costs and impose future restrictions on Russian economic activity. Isolating Russia from international finance and commerce should degrade Putin's ability to project power. Even traditionally neutral countries are participating in the sanctions from air space control to BP's divestment of its 20% stake in the Russian controlled Rosneft oil producer.



Russian forces invade Ukraine

Inflation remains on the move

With rising geopolitical risks, central banks are working together as they weigh the trade-off between growth and inflation and its impact to each country's GDP. If downside risks to the growth outlook prevail, slower growth should slow inflation. The impact of oil and natural gas supply in Europe is critical.

A clear, durable inflation problem and continuing strong demand for labor and financial instability probably does not favor an overly aggressive start to the removal of the policy accommodation or faster rate hikes. Traders are betting there's a 100% chance that the Fed raises rates by at least a quarter of a percentage point. Geo-politics may move a 0.50% hike off the table indefinitely.

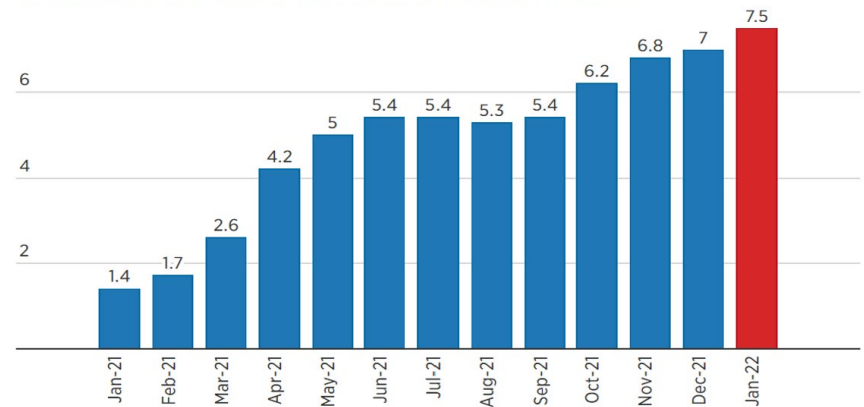
Of major importance are commodity prices. Oil and natural gas, which are key to Russia exports, have risen significantly. Crude oil prices are at 2014 highs – up 22% already in 2022. Other key commodities like aluminum (up 3%) and the wheat and corn from Ukraine, which is a major EU breadbasket, are also soaring.

Core personal consumption expenditures (PCE) index, the Fed's preferred inflation gauge, rose by 5.2% YOY. That's the index's biggest one-year jump since April 1983. And the consumer price index (CPI) surged by 7.5% on a year-over-year basis. That marked the sharpest gain since 1982. Consumers keep consuming but are paying more.

An old saying in commodity markets is that "the cure for high prices is high prices." Prices don't rise in perpetuity. Ultimately, they reach price intolerance, which is followed closely by a drop in demand. This demand destruction exerts its natural gravitational pull on inflation.

Surging inflation

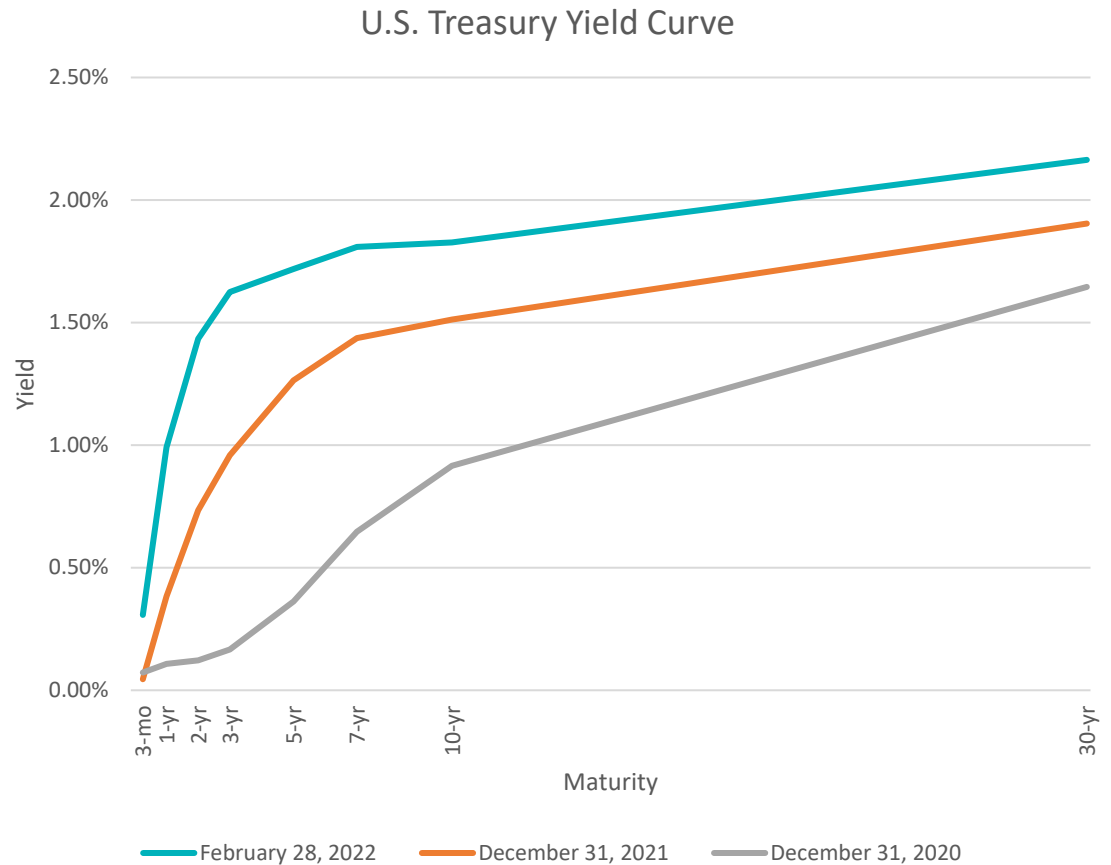
Values reflect the year-over-year % changes in the Consumer Price Index.



Source: BLS

The Fed's Planned Taper has Its Uplifting Effect

- The US Treasury is global money's safe-haven and as the war intensified the volatility has increased.
- Each of the T-Notes has fluctuated but are generally down from the beginning of the month when Ukraine was not the focus and markets centered on the Fed increasing rates.
- As sanctions are applied and settlement options narrow money has flown into Treasuries, decreasing yields.
- Currently, the markets are pricing in a 0.25% increase to the Fed Funds rate in March.



McAllen Independent School District
 Monthly Investment Report
 February 1, 2022 – February 28, 2022

Portfolio Summary Management Report

This report and investment portfolio of the District is in compliance with the District investment strategy as expressed in the District's investment policy and relevant provisions of the Government Code, Chapter 2256, the Public Funds Investment Act.

<p><u>Portfolio as of 01/31/22:</u></p> <p>Beginning Book Value \$ 164,394,077 Beginning Market Value \$ 164,178,836</p> <p>WAM at Beginning Period Date¹ 101 days</p> <p><i>(Increase in market value is due to seasonal cash inflows)</i></p>	<p><u>Portfolio as of 02/28/22:</u></p> <p>Ending Book Value \$ 168,820,298 Ending Market Value \$ 168,488,078</p> <p>Unrealized Gain/Loss \$ (332,220)</p> <p>WAM at Ending Period Date¹ 146 days</p> <p>Change in Market Value² \$ 4,309,242</p>
<p>Average Yield to Maturity for period 0.231% Average Yield 1-year Treasury Bill for period 1.000% Average Yield 2-year Treasury Note for period 1.440%</p>	

Cynthia Medrano-Richards

 Cynthia Medrano-Richards, Asst. Superintendent for Bus. Operations
 McAllen ISD

Iris Luna

 Iris Luna, Interim Chief Financial Officer
 McAllen ISD

Dyanira Diaz

 Dyanira Diaz, Interim Director of Accounting
 McAllen ISD

Adelita Felix

 Adelita Felix, Interim Asst. Superintendent of District Operations
 McAllen ISD

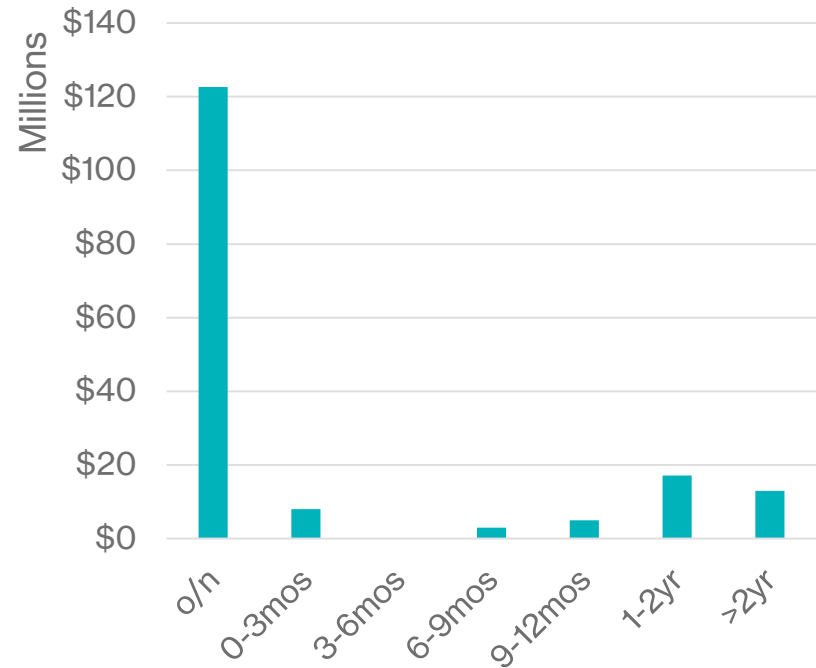
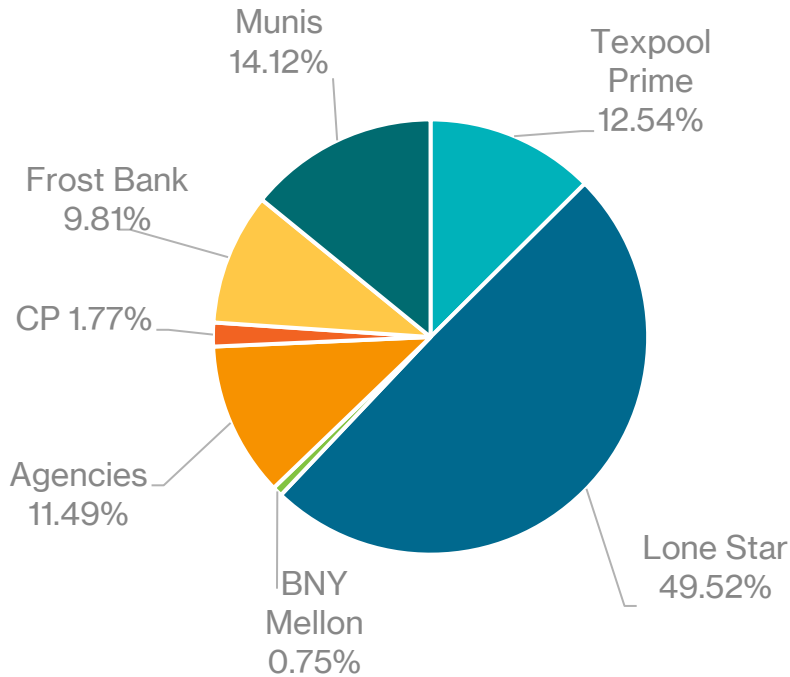
¹ WAM – weighted average maturity

² “Change in Market Value” is required data, but will primarily reflect the receipt and expenditure of the District’s funds from month to month. *Patterson & Associates* has assisted in the preparation of this consolidated investment report, with additional input provided by McAllen ISD.

Portfolio Overview

As of February 28, 2022

- P&A constantly reviews your portfolio for optimal asset allocation and a controlled average maturity because a diversified portfolio can better adjust to volatile market conditions. Where extensions can be made it is important to make them to find any available safe value in the markets.
- The graphs below show asset allocations by market sector and by maturity in your portfolio. With the current yield curve, commercial paper is providing the greatest value for maturities less than 1 year. We continue to see value in the extension of the portfolio into the 3-5 year space, cash flows permitting.
- The non-cash portion of your portfolio is yielding 0.68%.



**McAllen ISD
Portfolio Management
Portfolio Summary
February 28, 2022**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 365 Equiv.
BNY Mellon	1,259,350.63	1,259,350.63	1,259,350.63	0.75	1	1	0.000
Frost Bank	16,560,045.69	16,560,045.69	16,560,045.69	9.81	1	1	0.010
Commercial Paper Disc. -Amortizing	3,000,000.00	2,985,150.00	2,985,572.51	1.77	206	199	0.893
Federal Agency Coupon Securities	19,400,000.00	19,212,287.05	19,397,530.00	11.49	928	850	0.897
Municipal Bonds	23,685,000.00	23,694,643.80	23,841,198.08	14.12	511	314	0.484
Texpool/Texpool Prime	21,174,108.10	21,174,108.10	21,174,108.10	12.54	1	1	0.089
Lone Star	83,602,492.64	83,602,492.64	83,602,492.64	49.52	1	1	0.064
	168,680,997.06	168,488,077.91	168,820,297.65	100.00%	183	146	0.231
Investments							
Cash and Accrued Interest							
Accrued Interest at Purchase		3,261.22	3,261.22				
Subtotal		3,261.22	3,261.22				
Total Cash and Investments	168,680,997.06	168,491,339.13	168,823,558.87		183	146	0.231

Total Earnings	February 28 Month Ending	Fiscal Year To Date
Current Year	26,099.97	117,750.06

The following reports are submitted in accordance with the Public Funds Investment Act (Texas Gov't Code 2256). The reports also offer supplemental information not required by the Act in order to fully inform the governing body of McAllen ISD of the position and activity within the District's portfolio of investment. The reports include a management summary overview, a detailed inventory report for the end of the period, a transaction report, as well as graphic representations of the portfolio to provide full disclosure to the governing body.

Adelita Felix
Mar 22, 2022

Adelita Felix, Interim Asst Sup't of District Oper



**McAllen ISD
Summary by Type
February 28, 2022
Grouped by Fund**

Patterson & Associates
901 S. MoPac
Suite 195
Austin, TX 78746
-

Security Type	Number of Investments	Par Value	Book Value	% of Portfolio	Average YTM 365	Average Days to Maturity
Fund: Activity Fund						
Frost Bank	1	1,809,604.06	1,809,604.06	1.07	0.010	1
Subtotal	1	1,809,604.06	1,809,604.06	1.07	0.010	1
Fund: Clearing Fund						
Frost Bank	1	6,549,475.61	6,549,475.61	3.88	0.010	1
Subtotal	1	6,549,475.61	6,549,475.61	3.88	0.010	1
Fund: Capital Projects Fund						
Frost Bank	2	615,641.19	615,641.19	0.36	0.010	1
Lone Star	4	16,870,781.45	16,870,781.45	9.99	0.069	1
Subtotal	6	17,486,422.64	17,486,422.64	10.35	0.066	1
Fund: Debt Service Fund						
Frost Bank	1	5,891.38	5,891.38	0.00	0.010	1
Lone Star	2	2,902,459.14	2,902,459.14	1.72	0.085	1
Subtotal	3	2,908,350.52	2,908,350.52	1.72	0.085	1
Fund: General Fund						
Frost Bank	1	4,417,334.99	4,417,334.99	2.62	0.010	1
Federal Agency Coupon Securities	5	14,400,000.00	14,400,000.00	8.53	0.905	849
Lone Star	3	58,312,298.28	58,312,298.28	34.54	0.062	1
Commercial Paper Disc. -Amortizing	1	3,000,000.00	2,985,572.51	1.77	0.893	199
Municipal Bonds	9	17,595,000.00	17,718,719.78	10.50	0.536	284
Texpool/Texpool Prime	2	21,174,108.10	21,174,108.10	12.54	0.089	1
Subtotal	21	118,898,741.37	119,008,033.66	70.50	0.258	151
Fund: Plan 457 Fund						
Frost Bank	1	3,386.81	3,386.81	0.00	0.010	1
Subtotal	1	3,386.81	3,386.81	0.00	0.010	1
Fund: Proprietary Fund						

**McAllen ISD
Summary by Type
February 28, 2022
Grouped by Fund**

Security Type	Number of Investments	Par Value	Book Value	% of Portfolio	Average YTM 365	Average Days to Maturity
Fund: Proprietary Fund						
Frost Bank	1	3,158,711.65	3,158,711.65	1.87	0.010	1
Lone Star	2	5,516,953.77	5,516,953.77	3.27	0.065	1
Subtotal	3	8,675,665.42	8,675,665.42	5.14	0.045	1
Fund: QSCB - Reserve Fund						
BNY Mellon	1	79,350.63	79,350.63	0.05	0.000	1
Federal Agency Coupon Securities	2	5,000,000.00	4,997,530.00	2.96	0.876	852
Municipal Bonds	3	6,090,000.00	6,122,478.30	3.63	0.334	403
Subtotal	6	11,169,350.63	11,199,358.93	6.64	0.574	601
Fund: QSCB - Debt Service						
BNY Mellon	1	1,180,000.00	1,180,000.00	0.70	0.000	1
Subtotal	1	1,180,000.00	1,180,000.00	0.70	0.000	1
Total and Average	43	168,680,997.06	168,820,297.65	100.00	0.231	146



**McAllen ISD
Fund ACT - Activity Fund
Investments by Fund
February 28, 2022**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Frost Bank										
999915	10020	Frost Bank Public Checking	07/01/2021	1,809,604.06	1,809,604.06	1,809,604.06	0.010	0.009	0.010	1
Subtotal and Average				1,809,604.06	1,809,604.06	1,809,604.06		0.010	0.010	1
Total Investments and Average				1,809,604.06	1,809,604.06	1,809,604.06		0.010	0.010	1

**Fund CLEAR - Clearing Fund
Investments by Fund
February 28, 2022**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Frost Bank										
999914	10019	Frost Bank Public Checking	07/01/2021	6,549,475.61	6,549,475.61	6,549,475.61	0.010	0.009	0.010	1
Subtotal and Average				6,549,475.61	6,549,475.61	6,549,475.61	0.010	0.010		1
Total Investments and Average				6,549,475.61	6,549,475.61	6,549,475.61	0.010	0.010		1

**Fund CP - Capital Projects Fund
Investments by Fund
February 28, 2022**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Frost Bank										
999922	10103	Frost Bank Public Checking	07/01/2021	548,415.79	548,415.79	548,415.79	0.010	0.009	0.010	1
SYS10109	10109	Frost Bank Public Checking	07/01/2021	67,225.40	67,225.40	67,225.40	0.010	0.009	0.010	1
Subtotal and Average				615,641.19	615,641.19	615,641.19		0.010	0.010	1
Lone Star										
108906G	10101	Lone Star Corporate Overnight	12/18/2019	727,405.28	727,405.28	727,405.28	0.110	0.108	0.110	1
108906I	10108	Lone Star Corporate Overnight	02/21/2020	8,366,026.05	8,366,026.05	8,366,026.05	0.110	0.108	0.110	1
108906H	10102	Lone Star Government ON	12/18/2019	1,313,975.68	1,313,975.68	1,313,975.68	0.020	0.019	0.020	1
108906J	10113	Lone Star Government ON	03/12/2020	6,463,374.44	6,463,374.44	6,463,374.44	0.020	0.019	0.020	1
Subtotal and Average				16,870,781.45	16,870,781.45	16,870,781.45		0.068	0.069	1
Total Investments and Average				17,486,422.64	17,486,422.64	17,486,422.64		0.066	0.066	1

**Fund DS - Debt Service Fund
Investments by Fund
February 28, 2022**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Frost Bank										
999918	10023	Frost Bank Public Checking	07/01/2021	5,891.38	5,891.38	5,891.38	0.010	0.009	0.010	1
Subtotal and Average				5,891.38	5,891.38	5,891.38		0.010	0.010	1
Lone Star										
108906B	10032	Lone Star Corporate Overnight	10/22/2015	2,104,691.32	2,104,691.32	2,104,691.32	0.110	0.108	0.110	1
108906C	10089	Lone Star Government ON	08/05/2019	797,767.82	797,767.82	797,767.82	0.020	0.019	0.020	1
Subtotal and Average				2,902,459.14	2,902,459.14	2,902,459.14		0.084	0.085	1
Total Investments and Average				2,908,350.52	2,908,350.52	2,908,350.52		0.084	0.085	1

**Fund GEN - General Fund
Investments by Fund
February 28, 2022**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
Frost Bank											
999917	10022	Frost Bank Public Checking	07/01/2021	4,417,334.99	4,417,334.99	4,417,334.99	0.010	0.009	0.010		1
Subtotal and Average				4,417,334.99	4,417,334.99	4,417,334.99		0.010	0.010		1
Commercial Paper Disc. -Amortizing											
63873KJG3	10155	Natixis NY CP	02/22/2022	2,985,572.51	3,000,000.00	2,985,150.00		0.880	0.892	09/16/2022	199
Subtotal and Average				2,985,572.51	3,000,000.00	2,985,150.00		0.881	0.893		199
Federal Agency Coupon Securities											
3130ANDP2	10143	FHLB Call Note	08/18/2021	2,400,000.00	2,400,000.00	2,371,727.52	0.250	0.246	0.250	08/18/2023	535
3130APQM0	10150	FHLB Call Note	11/18/2021	3,000,000.00	3,000,000.00	2,950,894.68	1.000	0.986	1.000	11/18/2024	993
3130APQU2	10151	FHLB Call Note	11/22/2021	2,000,000.00	2,000,000.00	1,978,293.14	0.650	0.641	0.650	11/22/2023	631
3130AQLR2	10153	FHLB Call Note	02/07/2022	2,500,000.00	2,500,000.00	2,476,677.53	1.000	0.986	1.000	02/07/2024	708
3130AQYM9	10156	FHLB Step Note	02/28/2022	4,500,000.00	4,500,000.00	4,500,000.00	1.250	1.232	1.250	02/28/2025	1,095
Subtotal and Average				14,400,000.00	14,400,000.00	14,277,592.87		0.892	0.905		848
Municipal Bonds											
116083WW2	10154	Brownsburg IN 1999 School Bldg	02/16/2022	5,031,382.74	5,000,000.00	5,021,050.00	1.750	1.027	1.042	02/01/2023	337
476637AM5	10138	Jersey City NJ Redev Agy	05/26/2021	2,918,080.10	2,910,000.00	2,916,169.20	1.500	0.315	0.320	05/26/2022	86
64990FC93	10140	NY State Dorm Authority	06/23/2021	1,000,000.00	1,000,000.00	999,930.00	0.167	0.164	0.167	03/15/2022	14
64971WJ35	10123	NYC Trans Finance Auth	10/13/2020	2,504,978.49	2,500,000.00	2,504,450.00	1.650	0.443	0.449	05/01/2022	61
678720KM4	10145	Oklahoma County OK ISD	09/23/2021	1,103,284.87	1,100,000.00	1,086,239.00	0.500	0.234	0.238	09/01/2023	549
678553AP3	10147	Oklahoma City Econ Dev Trust	09/27/2021	1,029,465.37	1,000,000.00	1,019,970.00	3.204	0.246	0.250	03/01/2023	365
73358W4V3	10148	Port Authority of NY & NJ	10/15/2021	1,518,298.73	1,505,000.00	1,499,642.20	1.086	0.414	0.420	07/01/2023	487
8717027U4	10141	Syracuse NY	06/30/2021	1,613,229.48	1,580,000.00	1,599,702.60	2.000	0.246	0.249	05/15/2023	440
953107AB5	10142	West Hartford CT	07/08/2021	1,000,000.00	1,000,000.00	988,040.00	0.466	0.459	0.465	07/01/2023	487
Subtotal and Average				17,718,719.78	17,595,000.00	17,635,193.00		0.529	0.536		283
Texpool/Texpool Prime											
999921	10092	Texpool	08/05/2019	10,562,628.76	10,562,628.76	10,562,628.76	0.063	0.062	0.063		1
999920	10034	Texpool Prime	11/03/2015	10,611,479.34	10,611,479.34	10,611,479.34	0.114	0.112	0.113		1
Subtotal and Average				21,174,108.10	21,174,108.10	21,174,108.10		0.087	0.089		1
Lone Star											
108906F	10099	Lone Star Corporate Overnight+	11/18/2019	0.00	0.00	0.00					1
108906	10003	Lone Star Corporate Overnight	11/01/2014	26,908,507.34	26,908,507.34	26,908,507.34	0.110	0.108	0.110		1

**Fund GEN - General Fund
Investments by Fund
February 28, 2022**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Lone Star										
108906D	10090	Lone Star Government ON	08/05/2019	31,403,790.94	31,403,790.94	31,403,790.94	0.020	0.019	0.020	1
Subtotal and Average				58,312,298.28	58,312,298.28	58,312,298.28		0.061	0.062	1
Total Investments and Average				119,008,033.66	118,898,741.37	118,801,677.24		0.254	0.258	150

**Fund PLAN457 - Plan 457 Fund
Investments by Fund
February 28, 2022**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Frost Bank										
999916	10021	Frost Bank Public Checking	07/01/2021	3,386.81	3,386.81	3,386.81	0.010	0.009	0.010	1
Subtotal and Average				3,386.81	3,386.81	3,386.81		0.010	0.010	1
Total Investments and Average				3,386.81	3,386.81	3,386.81		0.010	0.010	1

**Fund PROP - Proprietary Fund
Investments by Fund
February 28, 2022**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Frost Bank										
999919	10024	Frost Bank Public Checking	07/01/2021	3,158,711.65	3,158,711.65	3,158,711.65	0.010	0.009	0.010	1
Subtotal and Average				3,158,711.65	3,158,711.65	3,158,711.65		0.010	0.010	1
Lone Star										
108906A	10025	Lone Star Corporate Overnight	08/05/2015	2,759,265.23	2,759,265.23	2,759,265.23	0.110	0.108	0.110	1
108906E	10091	Lone Star Government ON	08/05/2019	2,757,688.54	2,757,688.54	2,757,688.54	0.020	0.019	0.020	1
Subtotal and Average				5,516,953.77	5,516,953.77	5,516,953.77		0.064	0.065	1
Total Investments and Average				8,675,665.42	8,675,665.42	8,675,665.42		0.044	0.045	1

**Fund QSCB - QSCB - Reserve Fund
Investments by Fund
February 28, 2022**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Date	Days To Maturity
BNY Mellon											
882521	10014	BNY Mellon - Cash	07/01/2021	79,350.63	79,350.63	79,350.63					1
Subtotal and Average				79,350.63	79,350.63	79,350.63		0.000	0.000		1
Federal Agency Coupon Securities											
3130ANDP2	10144	FHLB Call Note	08/18/2021	2,000,000.00	2,000,000.00	1,976,439.60	0.250	0.246	0.250	08/18/2023	535
3130AQJM6	10152	FHLB Call Note	01/28/2022	2,997,530.00	3,000,000.00	2,958,254.58	1.250	1.276	1.294	01/28/2025	1,064
Subtotal and Average				4,997,530.00	5,000,000.00	4,934,694.18		0.864	0.876		852
Municipal Bonds											
476637AM5	10139	Jersey City NJ Redev Agy	05/26/2021	1,594,414.90	1,590,000.00	1,593,370.80	1.500	0.315	0.320	05/26/2022	86
678720KM4	10146	Oklahoma County OK ISD	09/23/2021	2,005,972.49	2,000,000.00	1,974,980.00	0.500	0.234	0.238	09/01/2023	549
73358W4V3	10149	Port Authority of NY & NJ	10/15/2021	2,522,090.91	2,500,000.00	2,491,100.00	1.086	0.414	0.420	07/01/2023	487
Subtotal and Average				6,122,478.30	6,090,000.00	6,059,450.80		0.330	0.334		402
Total Investments and Average				11,199,358.93	11,169,350.63	11,073,495.61		0.566	0.574		600

**Fund QSCBDS - QSCB - Debt Service
Investments by Fund
February 28, 2022**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
BNY Mellon										
882520	10040	BNY Mellon - Cash	07/01/2021	1,180,000.00	1,180,000.00	0.00				1
Subtotal and Average				1,180,000.00	1,180,000.00	0.00		0.000	0.000	1
Total Investments and Average				1,180,000.00	1,180,000.00	0.00		0.000	0.000	1



McAllen ISD
Cash Reconciliation Report
For the Period February 1, 2022 - February 28, 2022
Grouped by Fund

Trans. Date	Investment #	Fund	Trans. Type	Security ID	Par Value	Security Description	Maturity Date	Purchases	Interest	Redemptions	Cash
General Fund											
02/07/2022	10153	GEN	Purchase	3130AQLR2	2,500,000.00	FHLBC 2.5M 1.00% Mat. 02/07/2024	02/07/2024	-2,500,000.00	0.00	0.00	-2,500,000.00
02/16/2022	10154	GEN	Purchase	116083WW2	5,000,000.00	BROWNS 5.0M 1.75% Mat.	02/01/2023	-5,033,600.00	0.00	0.00	-5,033,600.00
02/18/2022	10143	GEN	Interest	3130ANDP2	2,400,000.00	FHLBC 2.4M 0.25% Mat. 08/18/2023	08/18/2023	0.00	3,000.00	0.00	3,000.00
02/22/2022	10155	GEN	Purchase	63873KJG3	3,000,000.00	NATINY 3.0M 0.00% Mat.	09/16/2022	-2,985,065.01	0.00	0.00	-2,985,065.01
02/28/2022	10156	GEN	Purchase	3130AQYM9	4,500,000.00	FHLBS 4.5M 1.25% Mat. 02/28/2025	02/28/2025	-4,500,000.00	0.00	0.00	-4,500,000.00
Subtotal								-15,018,665.01	3,000.00	0.00	-15,015,665.01
QSCB - Reserve Fund											
02/18/2022	10144	QSCB	Interest	3130ANDP2	2,000,000.00	FHLBC 2.0M 0.25% Mat. 08/18/2023	08/18/2023	0.00	2,500.00	0.00	2,500.00
Subtotal								0.00	2,500.00	0.00	2,500.00
Total								-15,018,665.01	5,500.00	0.00	-15,013,165.01



McAllen ISD
Purchases Report
Sorted by Fund - Fund
February 1, 2022 - February 28, 2022

CUSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM	Ending Book Value
General Fund													
3130AQLR2	10153	GEN	FAC	FHLBC	2,500,000.00	02/07/2022	08/07 - 02/07	2,500,000.00		1.000	02/07/2024	1.000	2,500,000.00
116083WW2	10154	GEN	MC2	BROWNS	5,000,000.00	02/16/2022	02/01 - At Maturity	5,033,600.00		1.750	02/01/2023	1.042	5,031,382.74
63873KJG3	10155	GEN	ACP	NATINY	3,000,000.00	02/22/2022	09/16 - At Maturity	2,985,065.01			09/16/2022	0.881	2,985,572.51
3130AQYM9	10156	GEN	FAC	FHLBS	4,500,000.00	02/28/2022	08/28 - 02/28	4,500,000.00		1.250	02/28/2025	1.250	4,500,000.00
				Subtotal	15,000,000.00			15,018,665.01	0.00				15,016,955.25
				Total Purchases	15,000,000.00			15,018,665.01	0.00				15,016,955.25

McAllen ISD
Interest Earnings
Sorted by Fund - Fund
February 1, 2022 - February 28, 2022
Yield on Average Book Value

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
Fund: Activity Fund												
999915	10020	ACT	LA2	1,809,604.06	1,799,046.04	1,799,423.61		0.010	0.009	12.45	0.00	12.45
			Subtotal	1,809,604.06	1,799,046.04	1,799,423.61			0.009	12.45	0.00	12.45
Fund: Clearing Fund												
999914	10019	CLEAR	LA2	6,549,475.61	5,268,744.77	5,314,486.36		0.010	0.007	30.25	0.00	30.25
			Subtotal	6,549,475.61	5,268,744.77	5,314,486.36			0.007	30.25	0.00	30.25
Fund: Capital Projects Fund												
108906I	10108	CP	RR2	8,366,026.05	8,365,300.36	8,365,326.28		0.110	0.113	725.69	0.00	725.69
108906G	10101	CP	RR2	727,405.28	1,227,300.60	1,209,447.20		0.110	0.113	104.68	0.00	104.68
SYS10109	10109	CP	LA2	67,225.40	124,391.61	81,954.41		0.010	0.009	0.57	0.00	0.57
999922	10103	CP	LA2	548,415.79	95,887.56	89,876.66		0.010	0.009	0.62	0.00	0.62
108906H	10102	CP	RR2	1,313,975.68	1,313,950.84	1,313,951.73		0.020	0.025	24.84	0.00	24.84
108906J	10113	CP	RR2	6,463,374.44	6,463,252.26	6,463,256.62		0.020	0.025	122.18	0.00	122.18
			Subtotal	17,486,422.64	17,590,083.23	17,523,812.90			0.073	978.58	0.00	978.58
Fund: Debt Service Fund												
108906B	10032	DS	RR2	2,104,691.32	5,478,783.44	3,036,492.88		0.110	0.107	249.73	0.00	249.73
999918	10023	DS	LA2	5,891.38	5,434.75	215,125.19		0.010	0.009	1.49	0.00	1.49
108906C	10089	DS	RR2	797,767.82	797,752.74	797,753.28		0.020	0.025	15.08	0.00	15.08
			Subtotal	2,908,350.52	6,281,970.93	4,049,371.35			0.086	266.30	0.00	266.30
Fund: General Fund												
999921	10092	GEN	RRP	10,562,628.76	10,562,116.72	10,562,135.01		0.063	0.063	512.04	0.00	512.04
108906	10003	GEN	RR2	26,908,507.34	56,440,914.01	57,091,324.11		0.110	0.112	4,923.61	0.00	4,923.61
999917	10022	GEN	LA2	4,417,334.99	5,043,173.30	5,020,823.54		0.010	0.010	37.68	0.00	37.68
999920	10034	GEN	RRP	10,611,479.34	10,610,553.87	10,610,586.92		0.114	0.114	925.47	0.00	925.47
3130APQU2	10151	GEN	FAC	2,000,000.00	2,000,000.00	2,000,000.00	11/22/2023	0.650	0.706	1,083.33	0.00	1,083.33
3130AQLR2	10153	GEN	FAC	2,500,000.00	0.00	1,964,285.71	02/07/2024	1.000	1.106	1,666.67	0.00	1,666.67
3130ANDP2	10143	GEN	FAC	2,400,000.00	2,400,000.00	2,400,000.00	08/18/2023	0.250	0.272	500.00	0.00	500.00
3130APQMO	10150	GEN	FAC	3,000,000.00	3,000,000.00	3,000,000.00	11/18/2024	1.000	1.086	2,500.00	0.00	2,500.00

McAllen ISD
Interest Earnings
February 1, 2022 - February 28, 2022

CUSIP	Investment #	Fund	Security Type	Ending Par Value	Beginning Book Value	Average Book Value	Maturity Date	Current Rate	Annualized Yield	Adjusted Interest Earnings		
										Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
Fund: General Fund												
63873KJG3	10155	GEN	ACP	3,000,000.00	0.00	746,338.75	09/16/2022		0.886	0.00	507.50	507.50
108906D	10090	GEN	RR2	31,403,790.94	11,752,356.61	11,114,907.84		0.020	0.024	207.20	0.00	207.20
64971WJ35	10123	GEN	MC2	2,500,000.00	2,507,467.74	2,506,258.68	05/01/2022	1.650	0.493	3,437.50	-2,489.25	948.25
116083WW2	10154	GEN	MC2	5,000,000.00	0.00	2,336,474.26	02/01/2023	1.750	0.502	3,116.44	-2,217.26	899.18
476637AM5	10138	GEN	MC2	2,910,000.00	2,920,931.90	2,919,546.74	05/26/2022	1.500	0.351	3,637.50	-2,851.80	785.70
64990FC93	10140	GEN	MC2	1,000,000.00	1,000,000.00	1,000,000.00	03/15/2022	0.167	0.181	139.16	0.00	139.16
8717027U4	10141	GEN	MC2	1,580,000.00	1,615,526.45	1,614,410.78	05/15/2023	2.000	0.272	2,633.33	-2,296.97	336.36
953107AB5	10142	GEN	MC2	1,000,000.00	1,000,000.00	1,000,000.00	07/01/2023	0.466	0.506	388.34	0.00	388.34
678720KM4	10145	GEN	MC2	1,100,000.00	1,103,467.36	1,103,378.72	09/01/2023	0.500	0.326	458.33	-182.49	275.84
678553AP3	10147	GEN	MC2	1,000,000.00	1,031,920.82	1,030,728.17	03/01/2023	3.204	0.271	2,670.00	-2,455.45	214.55
73358W4V3	10148	GEN	MC2	1,505,000.00	1,519,129.90	1,518,726.19	07/01/2023	1.086	0.456	1,362.03	-831.17	530.86
3130AQYM9	10156	GEN	FAC	4,500,000.00	0.00	160,714.29	02/28/2025	1.250	3.802	468.75	0.00	468.75
Subtotal				118,898,741.37	114,507,558.68	119,700,639.71			0.194	30,667.38	-12,816.89	17,850.49
Fund: Plan 457 Fund												
999916	10021	PLAN457	LA2	3,386.81	3,386.79	3,386.79		0.010	0.008	0.02	0.00	0.02
Subtotal				3,386.81	3,386.79	3,386.79			0.008	0.02	0.00	0.02
Fund: Proprietary Fund												
108906A	10025	PROP	RR2	2,759,265.23	2,759,025.88	2,759,034.43		0.110	0.113	239.35	0.00	239.35
999919	10024	PROP	LA2	3,158,711.65	2,227,794.31	2,261,041.97		0.010	0.009	16.09	0.00	16.09
108906E	10091	PROP	RR2	2,757,688.54	2,757,636.41	2,757,638.27		0.020	0.025	52.13	0.00	52.13
Subtotal				8,675,665.42	7,744,456.60	7,777,714.67			0.052	307.57	0.00	307.57
Fund: QSCB - Reserve Fund												
882521	10014	QSCB	LA1	79,350.63	76,850.63	77,832.77				0.00	0.00	0.00
3130ANDP2	10144	QSCB	FAC	2,000,000.00	2,000,000.00	2,000,000.00	08/18/2023	0.250	0.272	416.67	0.00	416.67
3130AQJM6	10152	QSCB	FAC	3,000,000.00	2,996,230.00	2,996,861.43	01/28/2025	1.250	1.925	3,125.00	1,300.00	4,425.00
476637AM5	10139	QSCB	MC2	1,590,000.00	1,595,973.10	1,595,216.26	05/26/2022	1.500	0.351	1,987.50	-1,558.20	429.30
678720KM4	10146	QSCB	MC2	2,000,000.00	2,006,304.30	2,006,143.14	09/01/2023	0.500	0.326	833.33	-331.81	501.52
73358W4V3	10149	QSCB	MC2	2,500,000.00	2,523,471.59	2,522,800.97	07/01/2023	1.086	0.456	2,262.50	-1,380.68	881.82
Subtotal				11,169,350.63	11,198,829.62	11,198,854.57			0.775	8,625.00	-1,970.69	6,654.31
Fund: QSCB - Debt Service												
882520	10040	QSCBDS	LA1	1,180,000.00	0.00	813,442.93				0.00	0.00	0.00
Subtotal				1,180,000.00	0.00	813,442.93				0.00	0.00	0.00
Total				168,680,997.06	164,394,076.66	168,181,132.90			0.202	40,887.55	-14,787.58	26,099.97

McAllen ISD
Amortization Schedule
February 1, 2022 - February 28, 2022
Sorted By Fund - Fund

Investment #	Maturity Date	Beginning Par Value				Amounts Amortized				
Issuer	Fund	Amort. Date	Current Rate	Purchase Principal	Original Premium or Discount	Ending Book Value	And Unamortized As of 02/01/2022	Amount Amortized This Period	Amt Amortized Through 02/28/2022	Amount Unamortized Through 02/28/2022
General Fund										
10154	GEN	02/01/2023	5,000,000.00	5,033,600.00	33,600.00	5,031,382.74	0.00	-2,217.26	-2,217.26	31,382.74
Brownsburg IN 1999 School Bldg		09/01/2022	1.750				33,600.00			
10138	GEN	05/26/2022	2,910,000.00	2,944,221.60	34,221.60	2,918,080.10	-23,289.70	-2,851.80	-26,141.50	8,080.10
Jersey City NJ Redev Agy			1.500				10,931.90			
10155	GEN	09/16/2022	3,000,000.00	2,985,065.01	-14,934.99	2,985,572.51	0.00	507.50	507.50	-14,427.49
Natixis NY CP							-14,934.99			
10123	GEN	05/01/2022	2,500,000.00	2,546,300.00	46,300.00	2,504,978.49	-38,832.26	-2,489.25	-41,321.51	4,978.49
NYC Trans Finance Auth			1.650				7,467.74			
10145	GEN	09/01/2023	1,100,000.00	1,104,246.00	4,246.00	1,103,284.87	-778.64	-182.49	-961.13	3,284.87
Oklahoma County OK ISD			0.500				3,467.36			
10147	GEN	03/01/2023	1,000,000.00	1,042,070.00	42,070.00	1,029,465.37	-10,149.18	-2,455.45	-12,604.63	29,465.37
Oklahoma City Econ Dev Trust			3.204				31,920.82			
10148	GEN	07/01/2023	1,505,000.00	1,522,066.70	17,066.70	1,518,298.73	-2,936.80	-831.17	-3,767.97	13,298.73
Port Authority of NY & NJ			1.086				14,129.90			
10141	GEN	05/15/2023	1,580,000.00	1,631,681.80	51,681.80	1,613,229.48	-16,155.35	-2,296.97	-18,452.32	33,229.48
Syracuse NY			2.000				35,526.45			
Subtotal				18,809,251.11	214,251.11	18,704,292.29	-92,141.93	-12,816.89	-104,958.82	109,292.29
							122,109.18			
QSCB - Reserve Fund										
10152	QSCB	01/28/2025	3,000,000.00	2,996,100.00	-3,900.00	2,997,530.00	130.00	1,300.00	1,430.00	-2,470.00
FHLB Call Note		04/28/2022	1.250				-3,770.00			
10139	QSCB	05/26/2022	1,590,000.00	1,608,698.40	18,698.40	1,594,414.90	-12,725.30	-1,558.20	-14,283.50	4,414.90
Jersey City NJ Redev Agy			1.500				5,973.10			
10146	QSCB	09/01/2023	2,000,000.00	2,007,720.00	7,720.00	2,005,972.49	-1,415.70	-331.81	-1,747.51	5,972.49
Oklahoma County OK ISD			0.500				6,304.30			
10149	QSCB	07/01/2023	2,500,000.00	2,528,350.00	28,350.00	2,522,090.91	-4,878.41	-1,380.68	-6,259.09	22,090.91
Port Authority of NY & NJ			1.086				23,471.59			
Subtotal				9,140,868.40	50,868.40	9,120,008.30	-18,889.41	-1,970.69	-20,860.10	30,008.30
							31,978.99			
Total				27,950,119.51	265,119.51	27,824,300.59	-111,031.34	-14,787.58	-125,818.92	139,300.59
							154,088.17			



McAllen ISD
Projected Cashflow Report
Sorted by Monthly
For the Period March 1, 2022 - September 30, 2022

Projected Trans. Date	Investment #	Fund	Security ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
March 2022										
03/01/2022	10147	GEN	678553AP3	Interest	Oklahoma City Econ Dev Trust	0.00	0.00	0.00	16,020.00	16,020.00
03/07/2022	10153	GEN	3130AQLR2	Call	FHLB Call Note	2,500,000.00	2,500,000.00	2,500,000.00	0.00	2,500,000.00
03/15/2022	10140	GEN	64990FC93	Maturity	NY State Dorm Authority	1,000,000.00	1,000,000.00	1,000,000.00	1,215.39	1,001,215.39
Total for March 2022						3,500,000.00	3,500,000.00	3,500,000.00	17,235.39	3,517,235.39
April 2022										
04/28/2022	10152	QSCB	3130AQJM6	Call	FHLB Call Note	3,000,000.00	2,996,100.00	3,000,000.00	0.00	3,000,000.00
Total for April 2022						3,000,000.00	2,996,100.00	3,000,000.00	0.00	3,000,000.00
May 2022										
05/01/2022	10123	GEN	64971WJ35	Maturity	NYC Trans Finance Auth	2,500,000.00	2,546,300.00	2,500,000.00	20,625.00	2,520,625.00
05/15/2022	10141	GEN	8717027U4	Interest	Syracuse NY	0.00	0.00	0.00	27,650.00	27,650.00
05/18/2022	10143	GEN	3130ANDP2	Call	FHLB Call Note	2,400,000.00	2,400,000.00	2,400,000.00	0.00	2,400,000.00
05/18/2022	10144	QSCB	3130ANDP2	Call	FHLB Call Note	2,000,000.00	2,000,000.00	2,000,000.00	0.00	2,000,000.00
05/18/2022	10150	GEN	3130APQM0	Interest	FHLB Call Note	0.00	0.00	0.00	15,000.00	15,000.00
05/18/2022	10150	GEN	3130APQM0	Call	FHLB Call Note	3,000,000.00	3,000,000.00	3,000,000.00	0.00	3,000,000.00
05/22/2022	10151	GEN	3130APQU2	Interest	FHLB Call Note	0.00	0.00	0.00	6,500.00	6,500.00
05/22/2022	10151	GEN	3130APQU2	Call	FHLB Call Note	2,000,000.00	2,000,000.00	2,000,000.00	0.00	2,000,000.00
05/26/2022	10138	GEN	476637AM5	Maturity	Jersey City NJ Redevel Agy	2,910,000.00	2,944,221.60	2,910,000.00	43,650.00	2,953,650.00
05/26/2022	10139	QSCB	476637AM5	Maturity	Jersey City NJ Redevel Agy	1,590,000.00	1,608,698.40	1,590,000.00	23,850.00	1,613,850.00
Total for May 2022						16,400,000.00	16,499,220.00	16,400,000.00	137,275.00	16,537,275.00
July 2022										
07/01/2022	10142	GEN	953107AB5	Interest	West Hartford CT	0.00	0.00	0.00	4,569.39	4,569.39
07/01/2022	10148	GEN	73358W4V3	Interest	Port Authority of NY & NJ	0.00	0.00	0.00	8,172.15	8,172.15
07/01/2022	10149	QSCB	73358W4V3	Interest	Port Authority of NY & NJ	0.00	0.00	0.00	13,575.00	13,575.00
07/28/2022	10152	QSCB	3130AQJM6	Interest	FHLB Call Note	0.00	0.00	0.00	18,750.00	18,750.00
Total for July 2022						0.00	0.00	0.00	45,066.54	45,066.54
August 2022										
08/07/2022	10153	GEN	3130AQLR2	Interest	FHLB Call Note	0.00	0.00	0.00	12,500.00	12,500.00
08/18/2022	10143	GEN	3130ANDP2	Interest	FHLB Call Note	0.00	0.00	0.00	3,000.00	3,000.00
08/18/2022	10144	QSCB	3130ANDP2	Interest	FHLB Call Note	0.00	0.00	0.00	2,500.00	2,500.00
08/28/2022	10156	GEN	3130AQYM9	Interest	FHLB Step Note	0.00	0.00	0.00	28,125.00	28,125.00
Total for August 2022						0.00	0.00	0.00	46,125.00	46,125.00

McAllen ISD
Projected Cashflow Report
For the Period March 1, 2022 - September 30, 2022

Projected Trans. Date	Investment #	Fund	Security ID	Transaction Type	Issuer	Par Value	Original Cost	Principal	Interest	Total
September 2022										
09/01/2022	10147	GEN	678553AP3	Interest	Oklahoma City Econ Dev Trust	0.00	0.00	0.00	16,020.00	16,020.00
09/01/2022	10154	GEN	116083WW2	Call	Brownsburg IN 1999 School Bldg	5,000,000.00	5,033,600.00	5,000,000.00	0.00	5,000,000.00
09/16/2022	10155	GEN	63873KJG3	Maturity	Natixis NY CP	3,000,000.00	2,985,065.01	3,000,000.00	0.00	3,000,000.00
Total for September 2022						8,000,000.00	8,018,665.01	8,000,000.00	16,020.00	8,016,020.00
GRAND TOTALS:						30,900,000.00	31,013,985.01	30,900,000.00	261,721.93	31,161,721.93

Meeder Public Funds, Inc., dba Patterson & Associates is a registered investment adviser with the Securities and Exchange Commission (SEC) under the Investment Advisers Act of 1940. Registration with the SEC does not imply a certain level of skill or training. The opinions expressed in this presentation are those of Meeder Public Funds, Inc. The material presented has been derived from sources considered to be reliable, but the accuracy and completeness cannot be guaranteed.

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Certain information and data have been supplied by unaffiliated third parties. Although Meeder believes the information is reliable, it cannot warrant the accuracy of information offered by third parties. Market value may reflect prices received from pricing vendors when current market quotations are not available. Prices may not reflect firm bids or offers and may differ from the value at which the security can be sold.

Statements may include positions from unmanaged accounts provided for reporting purposes. Unmanaged accounts are managed directly by the client and are not included in the accounts managed by the investment adviser. This information is provided as a client convenience and the investment adviser assumes no responsibility for performance of these accounts or the accuracy of the data reported.

Investing involves risk. Past performance is no guarantee of future results. Debt and fixed income securities are subject to credit and interest rate risk. The investment return and principal value of an investment will fluctuate so that an investors shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted.

Meeder Investment Management is the global brand for the Meeder group of affiliated companies. Investment advisory services are provided through Meeder Public Funds, Inc, dba Patterson & Associates. Please contact us if you would like to receive a copy of our current ADV disclosure brochure or privacy policy.

Patterson & Associates
Barton Oaks Plaza
Building II
901 S. MoPac, Suite 195
Austin, TX 78746
800.817.2442

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: *Karen Nitsch (Adv. Academics)*

SUPERVISOR: *Rosalba De Hoyos*

Approved for presentation to the Board of Education:

J. Adansky

48
Superintendent of Schools

**INSTRUCTIONS FOR TEXAS PRE FRESHMAN ENGINEERING PROGRAM (TexPREP)
INTERLOCAL COOPERATION CONTRACT**

1. Please complete the required information in the blank areas.
2. Please sign and return **a scanned copy** of the document to the following e-mail address:

UTRGV TexPREP Program
Attn: Anna L Ramos, Program Specialist
Anna.ramos01@utrgv.edu

*in efforts to go paperless as well as to expedite your contract, we accept scanned copies, if you would like to mail your contract you are welcome to mail it to the following address:

UTRGV TexPREP Office
Attn: Anna L Ramos
The University of Texas Rio Grande Valley
1201 W. University Dr., ELCTR 164
Edinburg, TX 78539

3. Once the copy has been signed at UTRGV, we will return the completed copy to your office for your records.
4. If you have any questions, please contact Anna L Ramos at 665-2526, or via e-mail at anna.ramos01@utrgv.edu respectively.

2022 Texas Pre Freshman Engineering Program (TexPREP)

Interlocal Cooperation Contract

District: McAllen Independent School District

Address: 2000 North 23rd Street
McAllen, Texas 78501

Contact: Karen B. Nitsch, Director of Advanced Academic Services

Phone: 956-618-6057

E-mail: karen.nitsch@mcallenisd.net

Submit to:
TexPREP Office
1201 W. University Drive
ELCTR 164
Edinburg, Texas 78539
9956)665-2526

2023-009 INTERLOCAL COOPERATION CONTRACT

This **Interlocal Cooperation Contract** (this “**Contract**”) is entered into effective April 1, 2022, by and between the Contracting Parties shown below pursuant to authority granted in and in compliance with Chapter 791, *Texas Government Code*.

CONTRACTING PARTIES:

Receiving Party: McAllen ISD, a local entity of the State of Texas.

Performing Party: **The University of Texas-Rio Grande Valley**, an institution of higher education and agency of the State of Texas.

PURPOSE:

The purpose of this Contract is to obtain the services from Performing Party for the services of the Texas Prefreshman Engineering Program (TexPREP) to qualify students from the Receiving Party (the “Project”). This Contract will increase the efficiency and effectiveness of the Contracting Parties.

STATEMENT OF SERVICES TO BE PERFORMED:

Performing Party will perform the following services (“**services**”):

1. Provide qualifying and accepted students with six and half (6 1/2) weeks of instruction in mathematics, pre-engineering, and computer science, as well as mentoring by college students majoring in engineering, computer science, science, and mathematics during Summer 2022.
2. Summer 2022 activities will be held daily (Monday-Friday) from June 6, 2022, through July 20, 2022, from 1:00 p.m. to 5:50 p.m.
3. Six (6) follow-up Saturday sessions during the 2022/2023 academic year (dates to be determined).
4. All instructional services will be based at the UTRGV Campus.

Receiving Party will perform the following services (“**services**”):

1. If transportation of students participating in the TexPREP activities will be provided by Receiving Party, students will not arrive at UTRGV Campus before 12:45pm.

WARRANTIES:

Receiving Party warrants that (1) the services are necessary and authorized for activities that are properly within its statutory functions and programs; (2) it has the authority to contract for the services under authority granted in Chapter 11, *Texas Education Code*, and Chapter 791, *Texas Government Code*; (3) it has all necessary power and has received all necessary approvals to execute and deliver this Contract, and (4) the representative signing this Contract on its behalf is authorized by its governing body to sign this Contract.

Performing Party warrants that (1) it has authority to perform the services under authority granted in Section 79, *Texas Education Code* and Chapter 791, *Texas Government Code*; (2) it has all necessary power and has received all necessary approvals to execute and deliver this Contract, and (3) the

representative signing this Contract on its behalf is authorized by its governing body to sign this Contract.

CONTRACT AMOUNT:

The cost per student enrolled in the Project shall be \$425, of which \$100 shall be a non-refundable deposit for the students due upon initial acceptance for the Project.

PAYMENT:

Receiving Party will remit payments to Performing Party for services satisfactorily performed under this Contract in accordance with the Texas Prompt Payment Act ("Act"), Chapter 2251, *Texas Government Code*.

Payments made under this Contract (1) will fairly compensate Performing Party for the services performed under this Contract, and (2) will be made from current revenues available to Receiving Party.

- UTRGV TexPREP will send an invoice for the total students attending.
- A non-refundable deposit of \$100 per student shall be invoiced to the Receiving Party upon student acceptance after the mandatory orientation meeting in April. The balance of \$325 per participant attending the program shall be invoiced to the Receiving Party the second week in June with payment due within 30 days after date of the invoice.
- Receiving Party will designate a contact person for contract matters and billing at the central office or administrative office where payment will be disbursed.
- All checks/payments must be mailed to the following address with a copy of the invoice to ensure receipt of payment and avoid a deposit into a different university project.

Attn: UTRGV Payment and Collections
The University of Texas Rio Grande Valley (SSB 115)
1201 W. University Drive, Edinburg, TX 78539

TERM:

The term of this Contract begins on the Effective Date and expires on **March 31, 2023**.

NOTICES:

Except as otherwise provided by this Section, all notices, consents, approvals, demands, requests or other communications provided for or permitted to be given under any of the provisions of this Contract will be in writing and will be sent via certified mail, hand delivery, overnight courier, facsimile transmission (to the extent a facsimile number is set forth below), or email (to the extent an email address is set forth below) as provided below, and notice will be deemed given (i) if delivered by certified mailed, when deposited, postage prepaid, in the United States mail, or (ii) if delivered by hand, overnight courier, facsimile (to the extent a facsimile number is set forth below) or email (to the extent an email address is set forth below), when received:

If to Receiving Party:

District Name: McAllen ISD
Attention: Karen Nitsch (District Office Contact)
Title: Director of Advanced Academic Services
Secretary: Delia Rodriguez
Phone: 956-618-6059
Fax: 956-632-8446
Email: karen.nitsch@mcallenisd.net

with copy to:

Attention: Dr. Rosalba De Hoyos
Title: Assistant Superintendent for Instructional Services
Secretary: Mary Lopez
Phone: 956-618-6048
Fax: 956-618-7333
Email: rosalba.dehoyos@mcallenisd.net

If to Performing Party: The University of Texas Rio Grande Valley
1201 W. University Drive
Edinburg, TX 78539
Attention: Michael Mueller
Sr. Vice President of Finance and Planning
Email: svpfp@utrgv.edu

with copy to: The University of Texas Rio Grande Valley
1201 W. University Drive
Edinburg, TX 78539
Attention: Alex Valdez
Chief Procurement Officer
Email: alex.valdez@utrgv.edu

or other person or address as may be given in writing by either party to the other in accordance with this Section.

Notwithstanding any other requirements for notices given by a party under this Contract, if Performing Party intends to deliver written notice to Receiving Party pursuant to Section 2251.054, *Texas Government Code*, then Performing Party will send that notice to Receiving Party as indicated in above contact information.

TERMINATION:

In the event of a material failure by a Contracting Party to perform its duties and obligations in accordance with the terms of this Contract, the other party may terminate this Contract upon thirty (30) days' advance written notice of termination setting forth the nature of the material failure; provided that, the material failure is through no fault of the terminating party. The termination will not be effective if the material failure is fully cured prior to the end of the thirty-day period.

Performing Party may terminate this Contract upon thirty (30) days' advance written notice of termination to the Receiving Party.

OTHER PROVISIONS:

Payment of Debt or Delinquency to the State. Pursuant to Sections 2107.008 and 2252.903, *Texas Government Code*, Performing Party agrees that any payments owing to Performing Party under this Contract may be applied directly toward any debt or delinquency that Performing Party owes the State of Texas or any agency of the State of Texas regardless of when it arises, until such debt or delinquency is paid in full.

Venue; Governing Law. Hidalgo County, Texas shall be the proper place of venue for suit on or in respect of this Contract. This Contract and all of the rights and obligations of the parties hereto and all of the terms and conditions hereof shall be construed, interpreted and applied in accordance with and governed by and enforced under the laws of the State of Texas.

Entire Agreement; Modifications. This Contract supersedes all prior agreements, written or oral, between Performing Party and Receiving Party and shall constitute the entire agreement and understanding between the parties with respect to the subject matter hereof. This Contract 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 Receiving Party and Performing Party.

Loss of Funding. Performance by a Contracting Party of its duties and obligations under this Contract may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (the "Legislature") and/or allocation of funds by that Contracting Party's governing board. If the Legislature fails to appropriate or allot the necessary funds to a Contracting Party, or a Contracting Party's governing board fails to allocate the necessary funds, then the Contracting Party that loses funding may terminate this Contract without further duty or obligation under this Contract.

State Auditor's Office. The Contracting Parties understand that acceptance of funds under this Contract constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively, "Auditor"), to conduct an audit or investigation in connection with those funds pursuant to Sections 51.9335(c), 73.115(c) and 74.008(c), *Texas Education Code*. The Contracting Parties agree to cooperate with the Auditor in the conduct of the audit or investigation, including without limitation providing all records requested. The Contracting Parties will include this provision in all contracts with permitted subcontractors.

Assignment. This Contract is not transferable or assignable except upon written approval by Receiving Party and Performing Party.

Severability. If any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision thereof, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained therein.

Public Records. It shall be the independent responsibility of Receiving Party and Performing Party to comply with the provisions of Chapter 552, *Texas Government Code* (the "*Public Information Act*"), as those provisions apply to the parties' respective information. Receiving Party is not authorized to receive public information requests or take any action under the *Public Information Act* on behalf of Performing Party. Likewise, Performing Party is not authorized to receive public information requests or take any other action under the *Public Information Act* on behalf of Receiving Party.

Executed effective as of the Effective Date by the following duly authorized representatives of the Contracting Parties:

RECEIVING PARTY:

McAllen ISD

By: _____
Name: Sam Saldivar, Jr.
Title: Board President
Date: _____

Approved as to form:
Atlas, Hall & Rodriguez

By: Stephen L. Crain
Stephen L. Crain (Mar 25, 2022 07:53 CDT)
Stephen L. Crain

PERFORMING PARTY:

The University of Texas Rio Grande Valley

By: _____
Name: Dr. Janna Arney
Title: Executive VP and Provost
Date: _____

By: _____
Name: Michael Mueller
Title: Sr. VP of Finance and Planning
Date: _____

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: *Cynthia Olivarez*
Cynthia Olivarez (Apr 7, 2022 16:37 CDT)

SUPERVISOR: *Rosalba De Hoyos*

Approved for presentation to the Board of Education:

J. Alexander

56 _____
Superintendent of Schools

**INSTRUCTIONS FOR MIGRANT UNIVERSITY SUMMER EXPERIENCE
INTERLOCAL COOPERATION CONTRACT**

1. Please complete the required information in the blank areas.
2. Please sign and return **a scanned copy** of the document to the following e-mail address:

UTRGV MUSE Program
Attn: Dr. Cynthia Walls/ Nallely Salinas Loredo
cynthia.walls01@utrgv.edu/Nalleli.salinasloredo@utrgv.edu

*In efforts to go paperless as well as to expedite your contract, we accept scanned copies, if you would like to mail your contract you are welcome to mail it to the following address:

UTRGV P-16 Outreach & Testing Services (MUSE Program)
Attn: Dr. Cynthia Walls/ Nallely Salinas Loredo
The University of Texas Rio Grande Valley
1201 W. University Dr., EMLH 2.204
Edinburg, TX 78539

3. Once the copy has been signed at UTRGV, we will return the completed copy to your office for your records.
4. If you have any questions, please contact Nallely Salinas Loredo at (956) 665-7598, or via e-mail at nalleli.salinasloredo@utrgv.edu respectively.

2022 Migrant University Summer Experience (MUSE)

Interlocal Cooperation Contract

District: McAllen Independent School District

Address: 2000 N. 23rd Street

McAllen, TX 78501

Contact: Jody Pena

Phone: (956)928-8970

E-mail: jody.pena@mcallenisd.net

**Submit to:
P-16 Outreach & Testing Services
1201 W. University Drive
Emilia Hall- Room 2.202**

INTERLOCAL COOPERATION CONTRACT

This **Interlocal Cooperation Contract** (this “**Contract**”) is entered into effective **June 1, 2022** (“Effective Date”), by and between the Contracting Parties shown below pursuant to authority granted in and in compliance with Chapter 791, *Texas Government Code*.

CONTRACTING PARTIES:

Receiving Party: McAllen Independent School District, a local entity of the State of Texas.

Performing Party: The University of Texas Rio Grande Valley, and institution of higher education of the State of Texas.

PURPOSE:

The purpose of this Contract is to obtain the services of Performing Party to conduct a Migrant University Summer Experience (MUSE) (the “Project”). This Contract will increase the efficiency and effectiveness of the Contracting Parties.

STATEMENT OF SERVICES TO BE PERFORMED:

Performing Party will perform the following services (“services”):

1. Offer a 5-week residential summer instructional program on the Performing Party campus to assist qualifying migrant students in earning additional high school and/or college credits.
2. Engage MUSE participants in college and career exploration opportunities through job shadowing in professional work environments, educational trips and activities on the Performing Party campus.
3. Engage MUSE participants in college readiness and leadership seminars to further their educational goals;
4. Provide MUSE participants with tour(s) to promote higher education goals and aspirations.

Receiving Party will perform the following:

1. Each school will designate a staff member (counselor, liaison, etc.) to be the contact person for the MUSE, during the school session and duration of summer program.
2. Recruit students for MUSE program, collect completed applications, and provide to The University of Texas Rio Grande Valley, P-16 Outreach & Testing Services Office. (students must meet eligibility criteria)
3. Accept grade report as received from The University of Texas Rio Grande Valley, P-16 Outreach & Testing Services, and commit to giving local credit to the student.
4. Commit to payment of cost per student and non-refundable fee, and any additional fees that may apply at the completion of the program including fees for damages to university property.
5. Commit to providing transportation/support to attend follow up opportunities at UTRGV.

WARRANTIES:

Receiving Party warrants that (1) the services are necessary and authorized for activities that are properly within its statutory functions and programs; (2) it has the authority to contract for the services under authority granted in Section 11, *Texas Education Code*, and Chapter 791, *Texas Government Code*; (3) it has all necessary power and has received all necessary approvals to execute and deliver this Contract, and (4) the representative signing this Contract on its behalf is authorized by its governing body to sign this Contract.

Performing Party warrants that (1) it has authority to perform the services under authority granted in Section 77, *Texas Education Code* and Chapter 791, *Texas Government Code*; (2) it has all necessary power and has received all necessary approvals to execute and deliver this Contract, and (3) the representative signing this Contract on its behalf is authorized by its governing body to sign this Contract.

CONTRACT AMOUNT:

The cost per person in the Project shall be \$5,300 for the High School track or \$5,400 for the Dual Enrollment track of which \$1,500 shall be a non-refundable deposit for the students due upon initial registration for the Project. (In order for a student to be enrolled in the Dual Enrollment track an MOU must be on file with UTRGV)

Note:

- The Receiving Party commits to (enter number here) 3 participants to be registered for the Project.
- *OPTIONAL*: The Receiving party further commits to fund an additional (enter number here) 0 participants, subject to availability after the initial registration deadline for the Project.

PAYMENT:

Receiving Party will remit payments to Performing Party for services satisfactorily performed under this Contract in accordance with the Texas Prompt Payment Act (“Act”), Chapter 2251, *Texas Government Code*.

Payments made under this Contract (1) will fairly compensate Performing Party for the services performed under this Contract, and (2) will be made from current revenues available to Receiving Party.

- A non-refundable deposit of \$1,500 per student shall be due upon registration. The balance of \$3,800(H.S. Track) or \$3,900(DE track) per participant attending the program shall be invoiced to the Receiving Party during the month of June 2022 with payment due within 30 days of invoicing.
- UTRGV P-16 Outreach & Testing Services will send an invoice for the total students enrolled. Payment will be expected upon receipt of invoice.
- Receiving Party will designate a contact person for contract matters and invoicing at the central office or administrative office where payment will be disbursed.
- All checks/payments must be mailed to the following address to ensure receipt of payment and avoid a deposit into a different university project.

Attn: UTRGV P-16 Outreach & Testing Services, MUSE
The University of Texas Rio Grande Valley (Emilia Hall 2.203)
1201 W. University Drive, Edinburg, TX 78539

TERM:

The term of this Contract begins on the Effective Date and expires on **July 8, 2022.**

NOTICES:

Except as otherwise provided by this Section, all notices, consents, approvals, demands, requests or other communications provided for or permitted to be given under any of the provisions of this Contract will be in writing and will be sent via certified mail, hand delivery, overnight courier, facsimile transmission (to the extent a facsimile number is set forth below), or email (to the extent an email address is set forth below) as provided below, and notice will be deemed given (i) if delivered by certified mailed, when deposited, postage prepaid, in the United States mail, or (ii) if delivered by hand, overnight courier, facsimile (to the extent a facsimile number is set forth below) or email (to the extent an email address is set forth below), when received:

If to Receiving Party:

District Name: **McAllen Independent School District**
Attention: **Alejandra Gonzalez** (District Office Contact)
Title: **Director of Purchasing**
Secretary: **Glorina Flores**
Phone: **(956) 657-4480**
Fax: _____
Email: **alejandra.gonzalez@mcallenisd.net**

with copy to:

School Name: **MISD Migrant Department**
Attention: **Jody Pena** (School Principal)
Title: **Migrant Coordinator**
Secretary: **Cidy Sandoval**
Phone: **(956) 928-8970**
Fax: _____
Email: **jody.pena@mcallenisd.net**

and:

School Name: **MISD State and Federal Programs**
Attention : **Linda Trevino** (Counselor or designee)
Title: **Accountant**
Secretary: **Paula Perez**
Phone: **(956) 632-3234**
Fax: _____
Email: **litrevin@mcallenisd.net**

If to Performing Party: The University of Texas Rio Grande Valley
1201 W. University Drive
Edinburg, TX 78539
Email: evpfa@utrgv.edu
Fax: (956) 665-2307
Attention: Michael Muller
Sr. VP for Finance & Planning

with copy to: The University of Texas Rio Grande Valley
1201 W. University Drive
Edinburg, TX 78539
Email: alex.valdez@utrgv.edu
Fax: (956) 665-2164
Attention: Alex Valdez
Chief Procurement Officer

or other person or address as may be given in writing by either party to the other in accordance with this Section.

Notwithstanding any other requirements for notices given by a party under this Contract, if Performing Party intends to deliver written notice to Receiving Party pursuant to Section 2251.054, *Texas Government Code*, then Performing Party will send that notice to Receiving Party as indicated in above contact information.

TERMINATION:

In the event of a material failure by a Contracting Party to perform its duties and obligations in accordance with the terms of this Contract, the other party may terminate this Contract upon thirty (30) days' advance written notice of termination setting forth the nature of the material failure; provided that, the material failure is through no fault of the terminating party. The termination will not be effective if the material failure is fully cured prior to the end of the thirty-day period.

OTHER PROVISIONS:

Payment of Debt or Delinquency to the State. Pursuant to Sections 2107.008 and 2252.903, *Texas Government Code*, Performing Party agrees that any payments owing to Performing Party under this Contract may be applied directly toward any debt or delinquency that Performing Party owes the State of Texas or any agency of the State of Texas regardless of when it arises, until such debt or delinquency is paid in full.

Venue; Governing Law. Hidalgo County, Texas shall be the proper place of venue for suit on or in respect of this Contract. This Contract and all of the rights and obligations of the parties hereto and all of the terms and conditions hereof shall be construed, interpreted and applied in accordance with and governed by and enforced under the laws of the State of Texas.

Entire Agreement; Modifications. This Contract supersedes all prior agreements, written or oral, between Performing Party and Receiving Party and shall constitute the entire agreement and understanding between the parties with respect to the subject matter hereof. This Contract 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 Receiving Party and Performing Party.

Loss of Funding. Performance by a Contracting Party of its duties and obligations under this Contract may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (the "Legislature") and/or allocation of funds by that Contracting Party's governing board. If the Legislature fails to appropriate or allot the necessary funds to a Contracting Party, or a Contracting Party's governing board fails to allocate the necessary funds, then the Contracting Party that loses funding may terminate this Contract without further duty or obligation under this Contract.

State Auditor's Office. The Contracting Parties understand that acceptance of funds under this Contract constitutes acceptance of the authority of the Texas State Auditor's Office, or any successor agency (collectively, "Auditor"), to conduct an audit or investigation in connection with those funds pursuant to Sections 51.9335(c), 73.115(c) and 74.008(c), *Texas Education Code*. The Contracting Parties agree to cooperate with the Auditor in the conduct of the audit or investigation, including without limitation providing all records requested. The Contracting Parties will include this provision in all contracts with permitted subcontractors.

Assignment. This Contract is not transferable or assignable except upon written approval by Receiving Party and Performing Party.

Severability. If any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision thereof, and this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained therein.

Public Records. It shall be the independent responsibility of Receiving Party and Performing Party to comply with the provisions of Chapter 552, *Texas Government Code* (the "Public Information Act"), as those provisions apply to the parties' respective information. Receiving Party is not authorized to receive public information requests or take any action under the *Public Information Act* on behalf of Performing Party. Likewise, Performing Party is not authorized to receive public information requests or take any other action under the *Public Information Act* on behalf of Receiving Party.

Executed effective as of the Effective Date by the following duly authorized representatives of the Contracting Parties:

RECEIVING PARTY:

McAllen Independent School District (District)

By: _____
Name: **Sam Saldivar, Jr.**
Title: **Board of Trustees, President**

Date: _____

APPROVED AS TO FORM:

Atlas, Hall & Rodriguez, LLP

by: Stephen L. Crain
Stephen L. Crain

PERFORMING PARTY:

The University of Texas Rio Grande Valley

By: _____
Dr. Maggie Hinojosa
Sr. VP Strategic Enrollment and Student Affairs
The University of Texas Rio Grande Valley

Date: _____

By: _____
Michael Muller
Sr. VP for Finance & Planning
The University of Texas Rio Grande Valley
Date: _____

By: _____
Dr. Janna Arney
Executive Vice President and Provost
The University of Texas Rio Grande Valley
Date: _____

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: *Lilia Sandoval Silva*

SUPERVISOR: *Rosalba De Hoyos*

Approved for presentation to the Board of Education:

J. X. O'Connell

64 _____
Superintendent of Schools

RECOMMENDED VENDORS

Request for Proposal No. 2021-1007

Career & Technology Materials, Supplies, Equipment, & Related Services Discount-from-List

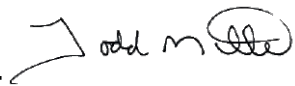
(Round 12 & 13)

No.	Vendor Name	City	State	Recommendation
1	Follett Content Solutions, LLC	McHenry	IL	Qualified
2	LEGO Brand Retail, Inc. dba LEGO Education US	Boston	MA	Qualified
3	McAllen Flight Academy, LLC	Mission	TX	Qualified
4	Teaching Systems, Inc.	Arlington	TX	Qualified
5	Texas Art Supply Company	Houston	TX	Qualified

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: Andres Silva

SUPERVISOR: 

Approved for presentation to the Board of Education:



66 _____
Superintendent of Schools

TASB RISK MANAGEMENT FUND INTERLOCAL PARTICIPATION AGREEMENT

Pursuant to the Texas Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, this Interlocal Participation Agreement (Agreement) is entered into by and between the Texas Association of School Boards Risk Management Fund (Fund) and the undersigned local government of the State of Texas (Fund Member). The Fund is an administrative agency of local governments (Fund Members) that cooperate in performing administrative services and governmental functions relative to risk management.

TERMS AND CONDITIONS

In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, including, without limitation, the agreement of the Fund and Fund Members to provide risk management programs as detailed in this Agreement, the receipt and sufficiency of which are hereby acknowledged, Fund Member and the Fund, intending to be legally bound, and subject to the terms, conditions, and provisions of this Agreement, agree as follows:

1. **Authority.** Fund Member hereby approves and adopts the Restatement of Interlocal Agreement, dated May 20, 1997, which restated the Interlocal Agreement dated July 2, 1974, establishing the predecessor of the Fund. The Restatement of Interlocal Agreement is incorporated into this Agreement by reference and is available from the Fund upon request. This Agreement serves to outline the relationship between the Fund and Fund Member. While the Texas Interlocal Cooperation Act provides the overarching basis for the Fund, certain Fund programs are further authorized pursuant to various statutes, such as Chapter 504 of the Texas Labor Code, pertaining to workers' compensation; and Chapter 2259, Subchapter B, of the Texas Government Code, pertaining to other risks or hazards.
2. **Program Participation.** This Agreement enables Fund Member to participate in one or more of the Fund's available programs. Because this is an enabling Agreement, Fund Member must also execute a separate Contribution and Coverage Summary (CCS) for each Fund program from which it seeks coverage and/or administrative services. Only a valid CCS will confer the right to participate in a specific program and each CCS shall be incorporated into this Agreement. Through participation in any Fund program, Fund Member waives none of its immunities and authorizes the Fund, or its designee, to assert such immunities on its behalf and on behalf of the Fund or its designee.
3. **Term of Agreement.** This Agreement shall be effective from the date of the last signature below and shall remain in effect unless terminated as provided in this Agreement. This Agreement will automatically terminate if Fund Member ceases to participate in at least one of the Fund's programs (due to the expiration of a CCS participation term or the valid termination of same) or fails to meet the membership qualifications of the Fund as provided in this Agreement and as determined by the Fund in writing.
4. **Termination.** Unless this Agreement is automatically terminated as described above, this Agreement, and/or any component CCS applicable to Fund Member, can be terminated as set forth below. However, unless specifically required in a CCS, the termination of any single Fund program under a CCS shall not also result in the automatic termination of another pending CCS, or this enabling Agreement if any other CCS is still in force for Fund Member. Rather, each Fund program can only be terminated as provided in this Agreement.
 - a. **By Either Party with 30 Days Notice before Renewal.** Any CCS may be terminated by either party with termination to be effective on any successive renewal date by giving written notice to the other party no later than 30 days prior to automatic renewal.
 - b. **By Fund Member upon Payment of Late Notice Fee.** If Fund Member fails to terminate a CCS as provided above, it may still terminate participation in any Fund program prior to the renewal date by paying a late notice fee as herein provided. If Fund Member terminates the CCS before the renewal date, but with fewer than 30 days' advance written notice, Fund Member agrees to pay the Fund a late notice fee in the amount of 25% of the annual contribution for the expiring participation term. Fund Member expressly acknowledges that the late notice fee is not a penalty, but a reasonable approximation of the Fund's damages for the Fund Member's untimely withdrawal from the program identified in the CCS. However, once the renewal term of a CCS commences, Fund Member can no longer terminate the CCS by paying a late notice fee; the CCS shall renew and Fund Member must pay 100% of the annual contribution for the renewal period.
 - c. **By the Fund upon Breach by Fund Member.** The Fund may terminate this Agreement or any CCS based on breach of any of the following obligations, by giving 10 days' written notice to Fund Member of the breach; and Fund Member's failure to cure the breach within said 10 days (or other time period allowed by the Fund):
 - 1) Fund Member fails or refuses to make the payments or contributions required by this Agreement;
 - 2) Fund Member fails to cooperate and comply with any reasonable requests for information and/or records made by the Fund;

- 3) Fund Member fails or refuses to follow loss prevention or statutory compliance requirements of the Fund, as provided in this Agreement; or
- 4) Fund Member otherwise breaches this Agreement.

If the Fund terminates this Agreement, or any CCS, based on breach as described above, Fund Member agrees that the Fund will have no responsibility of any kind or nature to provide coverage on the terminated Fund program post-termination. Further, Fund Member shall bear the full financial responsibility for any unpaid open claim and expense related to any claim, asserted or unasserted and reported or unreported, against the Fund or Fund Member, or incurred by the agents or representatives of Fund Member.

In addition to the foregoing, if termination is due to Fund Member's failure to make required payments or contributions, Fund Member agrees that it shall pay the Fund liquidated damages in the amount of 50% of the annual contribution for the participation term identified in the terminated CCS.

5. Contributions.

- a. **Agreement to Pay Contribution.** Fund Member agrees to pay its contribution for each Fund program in which it participates based on a plan developed by the Fund. The amount of contribution will be stated in the relevant CCS and will be payable upon receipt of an invoice from the Fund. Late fees amounting to the maximum interest allowed by law, but not less than the rate of interest authorized under Chapter 2251, Texas Government Code, shall begin to accrue daily on the first day following the due date and continue until the contribution and late fees are paid in full. If Fund Member fails to pay the amounts due under this Agreement, including any CCS, the Fund may redirect other amounts due to the Fund Member, payments received from Fund Member, or amounts held by the Fund for Fund Member's benefit, to offset the amount owed. Any offset will not extinguish Fund Member's obligation for any and all payments due under this Agreement, including any CCS.
- b. **Other Payments Due to the Fund.** In addition to contributions, if the Fund Member owes other payments to the Fund, such as deductibles or claim overpayments, and Fund Member fails to timely pay the amounts due, the Fund may redirect other amounts due to the Fund Member, payments received from Fund Member, or amounts held by the Fund for the Fund Member's benefit to offset the amounts owed.
- c. **Estimated Contribution and Contribution Adjustment.** In specified situations, the amount of contribution shown in the CCS will be identified as an estimate. The Fund reserves the right to request an audit of updated exposure information at the end of the CCS participation term and adjust contributions if Fund Member's exposure changes during the CCS participation term. As a result of the exposure review, any additional contribution payable to the Fund shall be paid by Fund Member, and any overpayment of contribution by Fund Member shall be returned or credited by the Fund. The Fund reserves the right to audit the relevant records of Fund Member in order to conduct this exposure review.

Upon expiration of each participation period, Fund Member may request a contribution adjustment due to exposure changes. Such request must be made in writing within 60 days after the end of the participation period. Fund Member must provide documentation as requested by the Fund to demonstrate that the exposure change warrants a contribution adjustment.

The annual contribution may be adjusted due to an exposure change or audit as presented in the CCS. The Fund may also request a contribution adjustment should the Fund's underwriting income for any program within a given program year be inadequate to pay the ultimate cost of claims incurred for that year, the Fund may collect an adjusted contribution from any current or former Fund Member if that Fund Member's contribution is inadequate to pay the Fund Member's claims incurred during that year.

6. **Contribution and Coverage Summary.** Fund Member agrees to abide by each CCS that governs its participation. A CCS will incorporate the program specific coverage document, if any, which sets forth the scope of coverage and/or services from the Fund. This Agreement will be construed to incorporate the CCS, Coverage Agreements, Endorsements, and Addenda, if any, whether or not physically attached. A CCS for a Fund program will state the participation term. After Fund Member's execution of a CCS, the CCS will automatically renew annually, unless terminated in accordance with this Agreement. Any renewal containing a change in the amount of contribution or other terms will be subject to the Amendment by Notice process described in this Agreement.
7. **Loss Prevention.** The Fund may provide loss prevention services to Fund Member. Fund Member agrees to adopt the Fund's reasonable and customary standards for loss prevention and to cooperate in implementing any and all reasonable loss prevention and statutory compliance recommendations or requirements. The Fund makes no warranty on Fund loss prevention recommendations.

8. Other Duties of Fund Member.

- a. **Standards of Performance.** Time shall be of the essence in Fund Member's reporting of any and all claims to the Fund, payment of any contributions or monies due to the Fund, and delivery of any written notices under this Agreement.
- b. **Claims Reporting.** Notice of any claim must be provided to the Fund as required by law or the applicable Coverage Agreement. Failure by Fund Member to timely report a claim may result in denial of coverage or payment of fines or penalties imposed by law or regulatory agencies. If the Fund advances payment of any fine or penalty arising from Fund Member's late claim reporting, Fund Member will reimburse the Fund for all such costs.
- c. **Cooperation and Access.** Fund Member agrees to cooperate and to comply in a timely manner with all reasonable requests for access, information and/or records made by the Fund or by a third-party acting for the Fund. Fund Member further agrees to provide complete and accurate statements of material facts, to not misrepresent or omit such facts, or make false statements to the Fund. The Fund Member agrees that any information held by the Fund's Administrator, or its' affiliated entities may be provided to the Fund. The Fund reserves the right to audit the relevant records of Fund Member to determine compliance with this Agreement.

9. **Administration of Claims.** The Fund or its designee agrees to administer all claims for which Fund Member has coverage after Fund Member provides timely written notice to the Fund. Fund Member hereby authorizes the Fund or its designee to act in all matters pertaining to handling of claims for which Fund Member has coverage pursuant to this Agreement. Fund Member expressly agrees that the Fund has sole authority in all matters pertaining to the administration of claims and grants the Fund or its designee full decision-making authority in all matters, including without limitation, discussions with claimants and their attorneys or other duly authorized representatives. Fund Member further agrees to be fully cooperative in supplying any information reasonably requested by the Fund in the handling of claims. All decisions on individual claims shall be made by the Fund or its designee, including, without limitation, decisions concerning claim values, payment due on the claim, settlement, subrogation, litigation, or appeals.

10. **Excess Coverage/Reinsurance.** The Fund, in its sole discretion, may purchase excess coverage or reinsurance for any or all Fund programs. In the event of a substantial change in terms or cost of such coverage, the Fund reserves the right to make adjustments to the terms and conditions of a CCS as allowed by the Amendment by Notice process under this Agreement. If any reinsurer, stop loss carrier, and/or excess coverage provider fails to meet its obligations to the Fund or any Fund Member, the Fund is not responsible for any payment or any obligations to Fund Member from any reinsurer, stop loss carrier, or excess coverage provider.

11. Subrogation and Assignment of Rights.

- a. Fund Member, on its own behalf and on behalf of any person entitled to benefits under this Agreement, assigns all subrogation rights to the Fund. The Fund has the right, in its sole discretion, without notice to Fund Member, to bring all claims and lawsuits in the name of Fund Member or the Fund. Fund Member agrees that all subrogation rights and recoveries belong first to the Fund, up to the amount of benefits, expenses, and attorneys' fees incurred by the Fund, with the balance, if any, being paid to Fund Member, unless otherwise specifically stated in the Agreement. Award of funds to any person entitled to coverage, whether by judgment or settlement, shall be conclusive proof that the injured party has been made whole. Fund Member's right to be made whole is expressly superseded by the Fund's subrogation rights. If Fund Member procures alternate coverage for a risk covered by the Fund, the latter acquired coverage shall be deemed primary coverage concerning that risk.
- b. Fund Member shall do nothing to prejudice or waive the Fund's existing or prospective subrogation rights under this Agreement. If Fund Member has waived any subrogation right without first obtaining the Fund's written approval, the Fund shall be entitled to recover from Fund Member any sums that it would have been able to recover absent such waiver. Recoverable amounts include attorneys' fees, costs, and expenses.

12. **Appeals.** Fund Member shall have the right to appeal any written decision or recommendation to the Fund's Board of Trustees, and the Board's determination will be final. Any appeal shall be made in writing to the Board Chair within 30 days of the decision or recommendation.

13. **Bylaws, Policies, and Procedures.** Fund Member agrees to abide by the Bylaws of the Fund, as they may be amended from time to time, and any and all written policies and procedures established by the Fund (which are available from the Fund upon written request). If a change is made to the Fund's Bylaws, written policies or procedures which conflicts with or impairs a CCS, such change will not apply to Fund Member until the renewal of such CCS, unless Fund Member specifically agrees otherwise.

14. **Payments.** Fund Member represents and warrants that all payments required under this Agreement of Fund Member shall be made from its available current revenues.

15. **Fund Member's Designation of Coordinator.** Fund Member agrees to designate an employee with appropriate authority as coordinator (Program Coordinator) for Fund Member on this Agreement or any CCS executed by Fund Member. Fund Member's Program Coordinator shall have express authority to represent and to bind Fund Member, shall fully communicate with the Fund regarding Fund business, and shall not delegate this communication to a third party. The Fund will not be required to contact any other individual regarding matters arising from or related to this Agreement. Fund Member reserves the right to change its Program Coordinator as needed, by giving written notice to the Fund; such notice is not effective until actually received by the Fund. Notice provided to the Chief Executive Officer of Fund Member shall also serve as notice to the Program Coordinator.
16. **Risk Sharing Agreement.** This Agreement is a risk sharing and risk participation agreement and should not be construed to be a contract of insurance. If any ambiguity exists in this Agreement, including any CCS or specific coverage document, the provision shall not be construed against the Fund as drafter of this Agreement. The Fund is not an insurance company nor is any member an insured. The Fund is a self-insured risk pool through which its members agree to share risk and actively participate in their contractual obligations to lessen risk and cost for all members. Any reference in this Agreement to an insurance term or concept is coincidental, is not intended to characterize the Fund as "insurance" as defined by law, shall be deemed to apply to self-insurance, and is not to be construed as being contrary to the self-insurance concept.
17. **Representation.** Fund Member authorizes the Fund to represent Fund Member in any lawsuit, dispute, or proceeding arising under or relating to any Fund program and/or coverage in which Fund Member participates. The Fund may exercise this right in its sole discretion and to the fullest extent permitted or authorized by law. Fund Member shall fully cooperate with the Fund, its designee, and the Fund's chosen counsel, including, without limitation, supplying any information necessary or relevant to the lawsuit, dispute, or proceeding in a timely fashion. Subject to specific revocation, Fund Member designates the Fund to act as a class representative on its behalf in matters arising out of this Agreement.
18. **Members' Equity.** The Fund Board, in its sole discretion, may declare a distribution of the Fund's members' equity to Fund Members. Members' equity belongs to the Fund. No current or former individual Fund Member is entitled to an individual allocation or portion of members' equity.
19. **Entire Agreement.** This Agreement, together with the Restated Interlocal Agreement, Bylaws, CCSs, and Coverage Agreements that are in effect as to Fund Member from time to time, represent and contain the complete understanding and agreement of the Fund and Fund Member, and there are no representations, agreements, arrangements, or undertakings, oral or written, between the Fund and Fund Member other than those set forth in this Agreement duly executed in writing. In the event of conflict between the terms of this Agreement and the Restated Interlocal Agreement, Bylaws, CCS, or any Coverage Agreement, the specific terms of the later adopted agreement shall prevail to the extent necessary to resolve the conflict. This Agreement replaces all previous Interlocal Participation Agreements between the Fund and Fund Member. Notwithstanding the foregoing, this Agreement does not supersede any unexpired participation term or pending claim under an existing agreement between Fund Member and Fund.
20. **Amendment by Notice.** This Agreement, including any of its component CCSs or coverage documents, may be amended by the Fund, in writing, by providing Fund Member with written notice before the earlier of (i) the effective date of the amendment or (ii) the date by which Fund Member can terminate without payment of late notice fees or liquidated damages. Unless this Agreement expressly provides otherwise, an amendment shall only apply prospectively and Fund Member shall have the right to terminate this Agreement, or a component CCS to which the amendment applies, before the amendment becomes effective, as provided in this Agreement. If Fund Member fails to give the Fund timely written notice of termination, Fund Member shall be deemed to have consented to the Fund's amendment and agrees to abide by and be bound by the amendment, without necessity of obtaining Fund Member's signature.

The Fund may amend this Agreement or any CCS effective upon renewal. Amendments may be for any reason including changes to the terms or contribution amount.

The Fund may also amend this Agreement or any CCS, effective during the term of a CCS, for any reason including but not limited to the following:

- a. State or federal governments, including any court, regulatory body, or agency thereof, adopt a statute, rule, decision, or take any action that would substantially impact the rights or financial obligations of the Fund as it pertains to this Agreement, or any Fund program or CCS.
- b. The terms of the Fund's stop-loss or excess coverage or reinsurance change substantially.

If the Fund exercises the option to amend the Agreement or any CCS during the term of a CCS and prior to renewal, the Fund shall give Fund Member 30 days advance written notice. Fund Member will then have the right during the 30-day period to give the Fund written notice of termination of the applicable Fund program, effective upon the expiration of the 30-day notice period (or longer period if so provided by the Fund in writing).

21. **Severability; Interpretation.** If any portion of this Agreement shall be declared illegal or held unenforceable for any reason, the remaining portions shall continue in full force and effect. Any questions of particular interpretation shall not be interpreted against the drafter of this Agreement, but rather in accordance with the fair meaning thereof.
22. **Dispute Resolution.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflict of law principles that would require the application of the laws of another state. The Fund retains its governmental immunity except to the extent it is waived by the legislature. The parties agree that the following adjudication procedures apply to any legal dispute, and that the Fund Member's right to file suit against the Fund is contingent upon compliance with these procedures pursuant to Texas Local Government Code section 271.154:
- Prior to filing suit, the Fund Member must comply with all of its obligations under this Agreement and any specific Coverage Agreement including an appeal to the Fund Board as described by Section 12 of this Agreement. A good-faith appeal to the Fund Board is a pre-suit adjudication procedure that is required before litigation by a Fund Member against the Fund.
 - Prior to filing suit, the Fund Member will participate in good faith in mediation in Travis County, Texas before a mediator approved by both parties; and
 - Any suit against the Fund must be brought in Travis County, Texas.

In the event of a lawsuit or formal adjudication between Fund Member and the Fund, the prevailing party is entitled to recover reasonable and necessary attorneys' fees and expenses, including expert fees, that are equitable and just.

Waiver and Estoppel. No provision of this Agreement will be deemed waived by either party unless expressly waived in writing by the waiving party. No waiver shall be implied by delay or any other act or omission. No waiver by either party of any provision of this Agreement shall be deemed a waiver of such provision with respect to any subsequent matter relating to such provision. Estoppel may not be asserted against either party so as to prevent that party from enforcing or insisting on the other party's compliance with any provision of this Agreement.

Assignment. This Agreement or any duties or obligations imposed by this Agreement shall not be assignable by Fund Member without the prior written consent of the Fund. Fund Member shall not transfer any interest in Fund claim related payments to any third party, including, but not limited to litigation finance companies, attorneys, banks, public adjusters, architects, engineers, or contractors. Any action by the Fund Member which grants or attempts to grant to any third party an interest in or control over any claim payment, including, but not limited to, the Member's entry into a contingent fee contract, will immediately suspend any obligation by the Fund to make any claim payment under this Agreement. The obligation of the Fund to make any such claim payments shall not be restored unless and until the Fund Member provides the Fund with evidence reasonably satisfactory to the Fund that any such transfer or attempt to transfer an interest in or control over such claim payment to a third party has effectively been terminated.

23. **Authorization.** By the execution of this Agreement, the undersigned individuals warrant that they have been authorized by all requisite governance action to enter into and to perform the terms and conditions of this Agreement and that the Fund Member authorizes the Program Coordinator or Chief Executive Officer to approve and bind the Fund Member to any current or future CCS entered into under this Agreement
24. **Notice.** Unless expressly stated otherwise in this Agreement, any notice required or provided under this Agreement by either party to the other party shall be in writing and shall be sent by first class mail, postage prepaid or by a carrier for overnight service or by electronic means typically used in commerce. Notice to the Fund shall be sufficient if made or addressed as follows: TASB Risk Management Fund, P.O. Box 301, Austin, Texas 78767-0301, or tasbrmf@tasbrmf.org. The Fund's required notice address may be updated through explicit written or electronic notice to Fund Members. Notice to a Fund Member shall be sufficient if addressed to the Program Coordinator or Fund Member's Chief Executive Officer and mailed to Fund Member's physical or electronic address of record on file with the Fund.
25. **Miscellaneous.** These provisions apply throughout this Agreement:
- Fund reference.** Any reference to the Fund in this Agreement includes reference to its designees.
 - CCS reference.** References to a Contribution and Coverage Summary (CCS) includes a reference to all separate coverage portions of a CCS and/or any similar service agreement between the Fund and a Fund Member.
 - "Including."** Unless the context requires otherwise, the term "including" means "including but not limited to."
 - Successors.** This Agreement binds and inures to the benefit of the parties and their successors.
 - Headings.** The headings are for convenience only and do not affect the interpretation of this Agreement.

26. **Signatures/Counterparts.** The failure of a party to provide an original, manually executed signature to the other party shall not affect the validity or enforceability of this Agreement. Either party may rely upon a facsimile or imaged signature as if it were an original. This Agreement may be executed in several separate counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

WHEREFORE, the parties agree to be bound by this Agreement by signing below.

For FUND MEMBER: **McAllen ISD**

By: _____

Signature of Fund Member's Authorized Representative

Printed Name of Fund Member's Authorized Representative

Sam Saldivar, Jr., President, Board Of Trustees

Date: _____

Approved as to form:
Atlas, Hall & Rodriguez LLP

By: Stephen L. Crain
Stephen L. Crain (MIS-2022-1128-01)
Stephen L. Crain

Date approved by Fund Member's Board of Trustees: _____

For TASB Risk Management Fund Use Only

For TASB RISK MANAGEMENT FUND:

By: _____

Chair, TASB Risk Management Fund Board of Trustees

Date: _____

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: 

SUPERVISOR: 

Approved for presentation to the Board of Education:



73 _____
Superintendent of Schools

Vendor Names		NM Contracting, LLC	Texair Company Inc.	D&F Industries, Inc.	Central Air & Heating Service, Inc	Holchemont, Ltd.
Rank		2	3	1	5	4
Price	Maximum points 100.00	83.25	79.04	86.00	74.43	74.92
Base Bid (Includes Contingency) (LI2 and LI3)	60	60.000	59.545	57.003	47.931	45.425
Offeror's experience and reputation	18	5.75	2.5	9	7	8.5
Three (3) K-12 reference forms (LI5)	1.5	0.25	0	0	0	1
Rating of 2 or better; plus similar scope and size (0.5 pts for scope; 0.5 pts for size per reference)		1 size	None provided	None provided	None met scope/size	3 scope/1 size
Three (3) Supplier Reference Letters (LI16)	1.5	1.5	1.5	0	0	0
				None provided	None provided	None provided
Claims, judgments, arbitration proceedings or suits (LI6)	1	1	1	1	1	1
Three (3) K-12 projects (LI8)	12	2	0	8	6	6
Similar scope and size (2 pts for scope; 2 pts for size per reference)		1size: Project listed for MISD is incomplete	None provided	3 scope/1 size	2 scope/1 size	2 scope/1 size
Two (2) Non K-12 projects (LI9)	2	1	0	0	0	0.5
Similar scope and size (0.5 pts for scope; 0.5 pts for size per reference)		0 scope/2 size	None provided	None provided	None provided	1 scope
Quality of the offeror's goods or services	4	2	0	4	4	4
Repeat business for similar scope/size (LI10)	2	0	0	2	2	2
		Not similar scope/size	Not similar scope/size			
MISD projects (LI7)	2	2	0	2	2	2
			None provided			
The impact on the ability of the district to comply with rules relating to historically underutilized businesses - HUB (A8)	1	1	0	0	0	1
Offeror's safety record	7	6	7	7	5.5	6
"OSHA Form 300 Log (LI18)	1.5	1.5	1.5	1.5	1.5	0.5
						1 out of 3
Safety program manual and/or procedures. (LI19)	2	2	2	2	2	2
Drug/alcohol prevention policy and/or procedures. (LI20)	1	1	1	1	1	1
"Workers Compensation Experience Rating" (LI17)	1.5	0.5	1.5	1.5	0	1.5
		1 out of 3			None provided	
Frequency of safety inspections (LI11)	1	1	1	1	1	1
Offeror's Proposed Personnel	6	4.5	6	6	6	6
Staff experience (industry) (LI13)	3	3	3	3	3	3
Staff experience (firm) (LI13)	3	2	3	3	3	3
Whether the offeror's financial capability is appropriate to the size and scope of the project	2	2	2	1	2	2
Financial Statement (LI22)	1	1	1	0	1	1
				None provided		
Surety Letter (LI21)	1	1	1	1	1	1
Any other relevant factors specifically listed in the CSP	2	2	2	2	2	2
On-time project completion (LI 7-9)	1	1	1	1	1	1
Projects currently in progress (LI14)	1	1	1	1	1	1

AIA[®] Document A101[™] – 2017

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

AGREEMENT made as of the day of in the year 202_{__}
(In words, indicate day, month and year.)

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

McALLEN INDEPENDENT SCHOOL DISTRICT
2000 North 23rd Street
McAllen, Texas 78501

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

for the following Project:
(Name, location and detailed description)

The Architect:
(Name, legal status, address and other information)

The Owner and Contractor agree as follows.

ADDITIONS AND DELETIONS:

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

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

The parties should complete A101[™]-2017, Exhibit A, Insurance and Bonds, contemporaneously with this Agreement. AIA Document A201[™]-2017, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

ELECTRONIC COPYING of any portion of this AIA[®] Document to another electronic file is prohibited and constitutes a violation of copyright laws as set forth in the footer of this document.

TABLE OF ARTICLES

- 1 THE CONTRACT DOCUMENTS
- 2 THE WORK OF THIS CONTRACT
- 3 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION
- 4 CONTRACT SUM
- 5 PAYMENTS
- 6 DISPUTE RESOLUTION
- 7 TERMINATION OR SUSPENSION
- 8 MISCELLANEOUS PROVISIONS
- 9 ENUMERATION OF CONTRACT DOCUMENTS

EXHIBIT A MODIFIED AIA DOCUMENT A201-2007, GENERAL CONDITIONS OF THE CONTRACT FOR CONSTRUCTION
EXHIBIT B CONTRACTOR'S PROPOSAL
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EXHIBIT D CONTRACTOR'S INSURANCE CERTIFICATES
EXHIBIT E PLANS AND SPECIFICATIONS

INSURANCE AND BONDS

ARTICLE 1 THE CONTRACT DOCUMENTS

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

ARTICLE 2 THE WORK OF THIS CONTRACT

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

ARTICLE 3 DATE OF COMMENCEMENT AND SUBSTANTIAL COMPLETION

§ 3.1 The date of commencement of the Work shall be:
(Check one of the following boxes.)

- The date of this Agreement.
- A date set forth in a notice to proceed issued by the Owner.
- Established as follows:
(Insert a date or a means to determine the date of commencement of the Work.)

If a date of commencement of the Work is not selected, then the date of commencement shall be the date of this Agreement.

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

§ 3.3 Substantial Completion

§ 3.3.1 Subject to adjustments of the Contract Time as provided in the Contract Documents, the Contractor shall diligently prosecute and achieve Substantial Completion of the entire Work:
(Check one of the following boxes and complete the necessary information.)

Not later than () calendar days from the date of commencement of the Work.

By the following date:

Final Completion shall be 30 calendar days after the date of Substantial Completion, subject to adjustments of the Contract Time as provided in the Contract Documents.

§ 3.3.2 Subject to adjustments of the Contract Time as provided in the Contract Documents, if portions of the Work are to be completed prior to Substantial Completion of the entire Work, the Contractor shall achieve Substantial Completion of such portions by the following dates:

Portion of Work	Substantial Completion Date
<input type="text"/>	<input type="text"/>

§ 3.3.3 If the Contractor fails to achieve Substantial Completion as provided in this Section 3.3, liquidated damages, if any, shall be assessed as set forth in Section 4.5.

ARTICLE 4 CONTRACT SUM

§ 4.1 The Owner shall pay the Contractor the Contract Sum in current funds for the Contractor's performance of the Contract. The Contract Sum shall be (\$), subject to additions and deductions as provided in the Contract Documents. The Contract Sum consists of two portions, the budgeted amount of Dollars and Cents (\$) and a contingency of Dollars (\$) as specified in Section 4.3 below. This contingency is for the sole use of the Owner to be used for changes in the scope of the Work and for the betterment of the Project. Contractor acknowledges and agrees that the contingency portion of the Contract Sum set forth in Section 4.3 shall not be due or payable unless and to the extent that Owner authorizes such expenditure in writing. If the Owner's Contingency is not expended or not fully expended, then any unused portion shall belong to the Owner and shall be credited to the Owner in calculating final payment.

§ 4.2 Alternates

§ 4.2.1 Alternates, if any, included in the Contract Sum:

Item	Price
<input type="text"/>	<input type="text"/>

§ 4.2.2 Subject to the conditions noted below, the following alternates may be accepted by the Owner following execution of this Agreement. Upon acceptance, the Owner shall issue a Modification to this Agreement.
(Insert below each alternate and the conditions that must be met for the Owner to accept the alternate.)

Item	Price	Conditions for Acceptance
<input type="text"/>	<input type="text"/>	<input type="text"/>

§ 4.3 Allowances, if any, included in the Contract Sum:
(Identify each allowance.)

Item	Price
Contingency	\$ <input type="text"/>

§ 4.4 Unit prices, if any:

(Identify the item and state the unit price and quantity limitations, if any, to which the unit price will be applicable.)

[Unit prices for certain components are specified in the bidding form attached hereto as part of Exhibit B. Such prices are only applicable in the event Owner opts to increase or decrease the number of required components.]

Item	Units and Limitations	Price per Unit (\$0.00)
------	-----------------------	-------------------------

§ 4.5 Liquidated damages, if any:
(Insert terms and conditions for liquidated damages, if any.)

§ 4.5.1 **Substantial Completion.** Owner and Contractor recognize that time is of the essence in this Agreement and that Owner will suffer financial loss if the Work is not completed within the time specified in Article 3, plus any extension thereof in accordance with Article 8 of the General Conditions. They also recognize the delays, expense and difficulties involved in proving in a legal proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring such proof, Owner and Contractor agree that as liquidated damages for delay (but not as penalty) Contractor shall pay Owner [] Dollars and Zero Cents (\$[].00) per calendar day for each day after the Substantial Completion date noted in Article 3 until the Work is substantially complete.

§ 4.5.2 **Final Completion.** In addition, timely Final Completion is an essential condition of this Agreement. Contractor agrees to achieve Final Completion of the Work within 30 calendar days of the Substantial Completion date (subject to adjustment of such date in accordance with the terms hereof). It is specifically understood and agreed by and between Owner and Contractor that time is of the essence in the Final Completion of the Project and Owner shall sustain additional damages as a result of Contractor's failure, neglect or refusal to achieve said deadline. Such damages are, and will continue to be, impracticable and extremely difficult to determine. Contractor and Owner also recognize the delays, expense and difficulties involved in proving in a legal proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring such proof, Owner and Contractor agree that as liquidated damages for delay (but not as penalty) Contractor shall pay Owner [] Dollars and Zero Cents (\$[].00) per calendar day for each day after the Final Completion date noted in Article 3 until the Work is substantially complete.

§ 4.5.3 *It is expressly understood that the said sum per day set forth in this Section 4.5 is agreed upon as a fair estimate of the pecuniary damages, which will be sustained by the Owner in the event that the Work is not completed within the agreed time, or within the legally extended time, if any. Said sum shall be considered as liquidated damages only, the exact ascertainment of which is difficult, and in no sense shall be considered a penalty.* It is expressly agreed as a part of the consideration inducing the Owner to execute this Agreement that the Owner may deduct from any Payment made to the Contractor any sums due from Contractor to Owner pursuant to Section 4.5 above.

§ 4.6 Other:
(Insert provisions for bonus or other incentives, if any, that might result in a change to the Contract Sum.)

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

ARTICLE 5 PAYMENTS

§ 5.1 Progress Payments

§ 5.1.1 Based upon Applications for Payment submitted to the Architect by the Contractor and Certificates for Payment issued by the Architect, the Owner shall make progress payments on account of the Contract Sum to the Contractor as provided below and elsewhere in the Contract Documents.

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

§ 5.1.3 Provided that an Application for Payment is received by the Architect not later than the first day of a month, the Owner shall make payment of the amount certified to the Contractor not later than the fifth day following approval by the Board of Trustees or as otherwise required by applicable law .
(Federal, state or local laws may require payment within a certain period of time.)

§ 5.1.4 Each Application for Payment shall be based on the most recent schedule of values submitted by the Contractor in accordance with the Contract Documents. The schedule of values shall allocate the entire Contract Sum less any unused Owner's contingency among the various portions of the Work. The schedule of values shall be prepared in such form, and supported by such data to substantiate its accuracy, as the Owner and the Architect may require. This schedule of values, unless objected to by the Architect or the Owner, shall be used as a basis for reviewing the Contractor's Applications for Payment.

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

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

§ 5.1.6.1 The amount of each progress payment shall first include:

- .1 That portion of the Contract Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Work by the share of the Contract Sum allocated to that portion of the Work in the schedule of values;
- .2 That portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction, or, if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing; and
- .3 That portion of Construction Change Directives that the Architect determines, in the Architect's professional judgment, to be reasonably justified to the extent approved by the Owner in writing, as provided in Section 7.3.9 of AIA Document A201.

§ 5.1.6.2 The amount of each progress payment shall then be reduced by:

- .1 The aggregate of any amounts previously paid by the Owner;
- .2 The amount, if any, for Work that remains uncorrected and for which the Architect has previously withheld a Certificate for Payment as provided in Article 9 of AIA Document A201;
- .3 Any amount for which the Contractor does not intend to pay a Subcontractor or material supplier, unless the Work has been performed by others the Contractor intends to pay;
- .4 For Work performed or defects discovered since the last payment application, any amount for which the Architect may withhold payment, or nullify a Certificate of Payment in whole or in part, as provided in Article 9 of AIA Document A201 or amounts certified by the Architect and disputed by the Owner; and
- .5 Retainage withheld pursuant to Section 5.1.7.

§ 5.1.7 Retainage

§ 5.1.7.1 For each progress payment made prior to Substantial Completion of the Work, the Owner shall withhold the following amount, as retainage, from the payment otherwise due:
(Insert a percentage or amount to be withheld as retainage from each Application for Payment. The amount of retainage may be limited by governing law.)

Five percent (5%) if the amount set forth in Section 4.1 above for the Contract Sum is at least Four Hundred Thousand Dollars (\$400,000.00) and ten percent (10%) if such amount is less than Four Hundred Thousand Dollars (\$400,000.00).

(Paragraphs deleted)

§ 5.1.7.2 Reduction or limitation of retainage, if any, shall be as follows:

(If the retainage established in Section 5.1.7.1 is to be modified prior to Substantial Completion of the entire Work, including modifications for Substantial Completion of portions of the Work as provided in Section 3.3.2, insert provisions for such modifications.)

None.

§ 5.1.7.3 Except as set forth in this Section 5.1.7.3, upon Substantial Completion of the Work, the Contractor may submit an Application for Payment that includes the retainage withheld from prior Applications for Payment pursuant to this Section 5.1.7. The Application for Payment submitted at Substantial Completion shall not include retainage as follows:

(Insert any other conditions for release of retainage upon Substantial Completion.)

Retainage on any incomplete Work and Unsettled claims.

(Paragraph deleted)

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

§ 5.1.10 If Owner is entitled to deduct liquidated damages, or any other damages or amounts provided in the Contract Documents, including clean-up fees, then Owner shall be entitled to deduct such liquidated damages, amounts and fees at any time.

§ 5.1.11 If Contractor fails or refuses to complete the Work, or has unsettled claims with Owner, any payment to Contractor shall be subject to deduction for such amounts as the Architect if applicable, shall determine as the cost for completing incomplete Work and the value of unsettled claim.

§ 5.2 Final Payment

§ 5.2.1 Final payment, constituting the entire unpaid balance of the Contract Sum minus disputed sums, authorized deductions and liquidated damages, shall be made by the Owner to the Contractor after

- .1 the Contractor has fully performed the Contract except for the Contractor's responsibility to correct nonconforming Work as provided in Article 12 of AIA Document A201, and to satisfy other requirements, if any, which extend beyond final payment;
- .2 the Contractor has provided all documents required by Sections 3.5 et seq. and 9.10.2 et seq. of AIA Document A201;
- .3 the Contractor has provided the following documents:
 - .1 Written certifications that no materials used in the Work contain lead or asbestos materials in them in excess of amounts allowed by federal, state or local standards, laws, codes, rules and regulations; the Federal Environmental Protection Agency (EPA) standards; and/or the Federal Occupational Safety and Health Administration (OSHA) standards, whichever is most restrictive. The Contractor shall provide this written certification as part of submittals under the Section in the Project Manual related to Contract Closeout;
 - .2 Final list of subcontractors (AIA Document G705);
 - .3 Contractor's certification in Texas Education Agency's Certification of Project Compliance, located at: www.tea.state.tx.us/school.finance/facilities/cert_2004.pdf;
 - .4 Contractor's warranties, organized as required elsewhere in the Contract Documents;
 - .5 Maintenance and Instruction Manuals;
 - .6 Owner's Final Completion Certificate; and
 - .7 "As-constructed record drawings". At the completion of the Project, the Contractor shall submit one complete set of "as-constructed" record drawings, with all changes made during construction, including concealed mechanical, electrical, and plumbing items. The Contractor shall submit these as electronic, sepia, or other acceptable medium, in the discretion of the Owner. The "as-constructed" record drawings shall delete the seal of the

Architect and/or the Engineer and any reference to those firms providing professional services to the Owner, except for historical or reference purposes;

- .4 a final Certificate for Payment has been issued by the Architect; and
- .5 Owner's Board of Trustees has voted to accept the Work and approve the Final Payment.

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

§ 5.3 Interest

Payments due and unpaid under the Contract shall bear interest pursuant to Texas Government Code §2251.025. *(Insert rate of interest agreed upon, if any.)*

%

ARTICLE 6 DISPUTE RESOLUTION

§ 6.1 Initial Decision Maker

The Architect will serve as the Initial Decision Maker pursuant to Article 15 of AIA Document A201, unless the parties appoint below another individual, not a party to this Agreement, to serve as the Initial Decision Maker. *(If the parties mutually agree, insert the name, address and other contact information of the Initial Decision Maker, if other than the Architect.)*



§ 6.2 Binding Dispute Resolution

For any Claim subject to, but not resolved by, mediation pursuant to Article 15 of AIA Document A201, the method of binding dispute resolution shall be as follows: *(Check the appropriate box.)*

- Arbitration pursuant to Section 15.4 of AIA Document A201-2017
- Litigation in a court of competent jurisdiction
- Other *(Specify)*

If the Owner and Contractor do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.

ARTICLE 7 TERMINATION OR SUSPENSION

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

(Paragraphs deleted)

§ 7.2 The Work may be suspended by the Owner as provided in Article 14 of AIA Document A201-2017.

ARTICLE 8 MISCELLANEOUS PROVISIONS

§ 8.1 All references to AIA Document A201-2017, AIA Document A201-2007, AIA Document A201 or the A201, shall mean to the modified A201-2007 attached hereto as Exhibit "A". Similarly, references to AIA Document A101-2017, AIA Document A101-2007 or to the A101 shall mean to this A101-2017. Where reference is made in this

Agreement to a provision of AIA Document A201–2017 or another Contract Document, the reference refers to that provision as amended or supplemented by other provisions of the Contract Documents.

§ 8.2 The Owner's representative:
(Name, address, email address, and other information)

Mr. Ruben Trevino
McAllen Independent School District
20000 N. 23rd St.
McAllen, TX 78501-6126

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



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

§ 8.5 Insurance and Bonds

§ 8.5.1 The Contractor shall purchase and maintain insurance as set forth in Article II of the AIA Document A201. The Contractor's insurance certificates are attached hereto as Exhibit "D".

§ 8.5.2 The Contractor shall provide bonds as set forth in AIA Document A201. The original bonds required pursuant to Section 11.4 of the A201 and this Section 8.5 are attached to the Owner's execution original of this Agreement as Exhibit "C" with a copy of the bonds attached as Exhibit "C" to the Contractor's execution original.

(Paragraphs deleted)

§ 8.7 Other provisions:

§ 8.7.1 The Agreement shall be governed by the laws of the State of Texas, and any litigation shall be conducted in state district court. Mandatory and exclusive venue shall be in Hidalgo County, Texas.

§ 8.7.2 As a material consideration of the making of this Agreement, the modifications to this Agreement shall not be construed against the maker of said modifications.

§ 8.7.3 The Contractor shall be responsible to the Owner for acts and omissions of the Contractor's employees, Subcontractors and their agents and employees, and other persons or entities performing portions of the Work for, or on behalf of, the Contractor or any of its Subcontractors. As part of that responsibility, Contractor shall enforce the Owner's alcohol-free, drug-free, tobacco-free, harassment-free and weapon-free policies and zones, which will require compliance with those policies and zones by Contractor's employees, subcontractors, and all other persons carrying out the Contract.

§ 8.7.4 Contractor acknowledges that the Owner retained the party set forth above under "Architect" above to provide certain design, contract administration and/or other services for the Project, and may not have used an AIA document for the contract with such party. All references in the Contract Documents to the Architect shall be to the entity named on the first page as the "Architect". The parties acknowledge and agree that, notwithstanding any other provision in the Contract Documents, the Owner is not obligated to retain an architect for the Project and the Owner makes no representations about the party set forth above under "Architect" being an architect.

§ 8.7.5 Contractor shall require all construction workers, whether Contractor's own forces or the forces of Contractor's subcontractors, to wear identification tags on the front of their persons during all times that they are on Owner's property. Such identification tags shall contain a current photograph and the worker's full name in a typeface large enough to be seen from a reasonable distance.

§ 8.7.6 Contractor shall require all construction workers, whether Contractor's own forces or the forces of Contractor's subcontractors, to park their personal motor vehicles on Owner's property only in the parking places designated by the Owner's campus principal. Any vehicles not parked in the appropriate locations shall be towed at the vehicle owner's sole expense.

§ 8.7.7 Contractor shall institute a theft deterrence program designed to restrict construction worker access to properties of Owner that are currently in use, to maintain supervision of Contractor's and Contractor's subcontractor's forces, and to reimburse the Owner or those persons suffering a theft loss which results from Contractor's forces or Contractor's subcontractor's forces' actions, omissions, or failure to secure the Work or connecting or adjacent property of Owner.

§ 8.7.8 The Contractor may not assign its responsibilities, duties, obligations and rights under this Agreement, without the express written consent of the Owner. This does not prevent Contractor from engaging subcontractors to perform various phases of the Project, but Contractor shall be fully responsible to Owner for the work, actions and omissions of all such subcontractors.

§ 8.7.9 This Agreement is subject to all applicable federal and state laws, rules, and regulations. Invalidity of any portion of this Agreement under the laws of the State of Texas or of the United States shall not affect the validity of the remainder of this Agreement.

§ 8.7.10 By signing this Agreement, the undersigned certifies as follows: Under Section 231.006, Texas Family Code, the vendor or applicant certifies that the individual or business entity named in the contract, bid, or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this contract may be terminated, and payment may be withheld if this certification is inaccurate.

§ 8.7.11 No delay or omission by Owner in exercising any right or power accruing upon the noncompliance or failure of performance by Contractor of any of the provisions of this Agreement shall impair any such right or power or be construed to be a waiver thereof. A waiver by Owner of any of the covenants, conditions or agreements hereof to be performed by Contractor shall not be construed to be a waiver of any subsequent breach thereof or of any other covenant, condition or agreement herein contained.

§ 8.7.12 Contractor stipulates that Owner is a political subdivision of the State of the Texas, and, as such, enjoys immunities from suit and liability as provided by the constitution and laws of the State of Texas. By entering into this Agreement, Owner does not waive any of its immunities from suit and/or liability, except as otherwise specifically provided herein, and as specifically authorized by law.

§ 8.7.13 By executing this Agreement, Contractor verifies that it does not boycott Israel, and it will not boycott Israel during the terms of this Contract.

§ 8.7.14 Contractor verifies and affirms that it is not a foreign terrorist organization as identified on the list prepared and maintained by the Texas Comptroller of Public Accounts. If Contractor has misrepresented its inclusion on the Comptroller's list, such omission or misrepresentation will void this Contract.

ARTICLE 9 ENUMERATION OF CONTRACT DOCUMENTS

§ 9.1 This Agreement is comprised of the following documents:

- .1 This executed AIA Document A101™–2017, Standard Form of Agreement Between Owner and Contractor
- .2 AIA Document A201™–2007, General Conditions of the Contract for Construction

(Paragraphs deleted)

(as modified and attached hereto as Exhibit "A")

(Paragraph deleted)

.3 Drawings attached hereto as part of Exhibit "E".

Number	Title	Date

.4 Specifications attached hereto as part of Exhibit "E".

Section	Title	Date	Pages

.5 Addenda, if any:

Number	Date	Pages

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

.6 The following Exhibits, which are attached hereto:

- .1 Exhibit A The modified AIA Document A201–2007, General Conditions of the Contract for Construction.
- .2 Exhibit B Contractor’s Proposal
- .3 Exhibits C Payment and Performance Bonds
- .4 Exhibit D Contractor’s Insurance Certificates
- .5 Exhibit E Plans and Specifications

This Agreement entered into as of the day and year first written above.

OWNER:

CONTRACTOR:

McALLEN INDEPENDENT SCHOOL DISTRICT

[]

By: _____

By: _____

Printer Name:

Title:

APPROVED AS TO FORM
ATLAS, HALL & RODRIGUEZ, LLP

By: _____

Stephen L. Crain

EXHIBIT A

to

(Paragraph deleted)

Agreement dated [, 20], between
McAllen Independent School District and []
(CSP 20__-__ [])

Modified AIA Document A201-2007 General Conditions of the Contract for Construction



EXHIBIT B

to

Agreement dated [, 20], between
McAllen Independent School District and []
(CSP 20__-__ [])
Contractor's Proposal

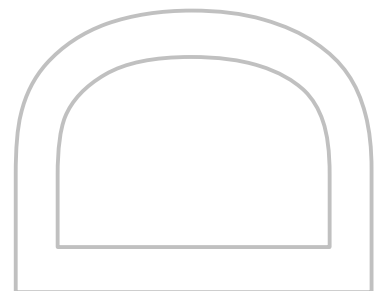
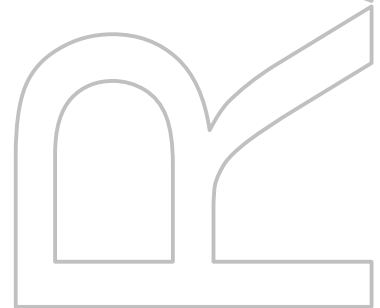
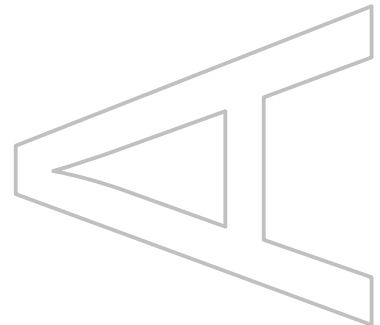
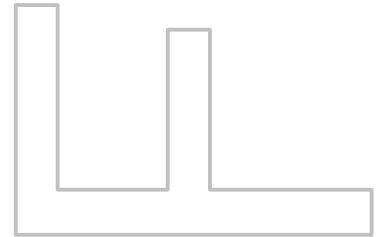
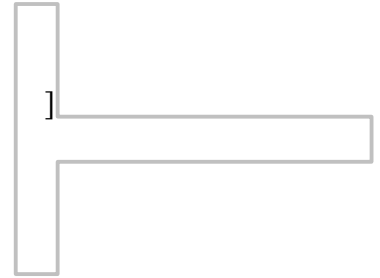


EXHIBIT C

to

(Table deleted)

Agreement dated [, 20], between
McAllen Independent School District and []
(CSP 20__-__ [])

Payment Bond

and

Performance Bond



(Table deleted)

EXHIBIT D

to

Agreement dated [, 20], between
McAllen Independent School District and []
(CSP 20__-__ [])

Contractor's Insurance Certificates

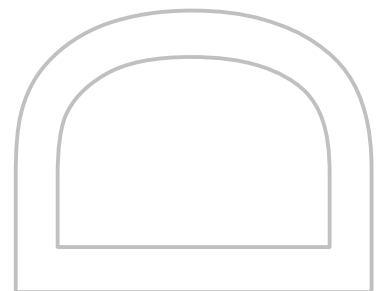
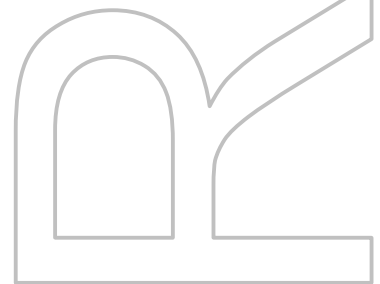
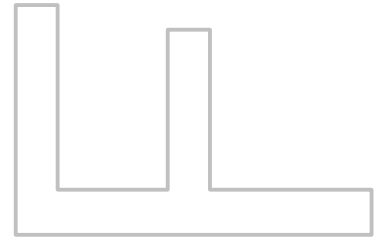
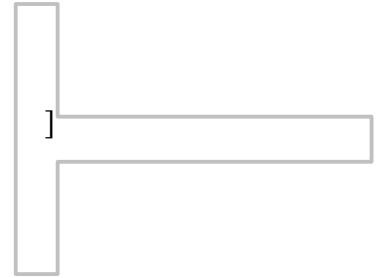


EXHIBIT E

to

Agreement dated [, 20], between
McAllen Independent School District and []
(CSP 20__-__ [])

Plans and/or Specifications

(Table deleted)



AIA[®] Document A201[™] – 2007

General Conditions of the Contract for Construction

for the following PROJECT:

(Name and location or address)

THE OWNER:

(Name, legal status and address)

McALLEN INDEPENDENT SCHOOL DISTRICT
2000 North 23rd Street
McAllen, Texas 78501

THE ARCHITECT:

(Name, legal status and address)

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ADDITIONS AND DELETIONS:

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

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

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ARTICLE 1 GENERAL PROVISIONS

§ 1.1 BASIC DEFINITIONS

§ 1.1.1 THE CONTRACT DOCUMENTS

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

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

§ 1.1.2 THE CONTRACT

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

§ 1.1.3 THE WORK

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

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

§ 1.1.4 THE PROJECT

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

§ 1.1.5 THE DRAWINGS

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

§ 1.1.6 THE SPECIFICATIONS

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

§ 1.1.7 INSTRUMENTS OF SERVICE

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

§ 1.1.8 INITIAL DECISION MAKER

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

§ 1.2 CORRELATION AND INTENT OF THE CONTRACT DOCUMENTS

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

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

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

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

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

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

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

§ 1.3 CAPITALIZATION

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

§ 1.4 INTERPRETATION

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

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

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

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

§ 1.6 TRANSMISSION OF DATA IN DIGITAL FORM

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

ARTICLE 2 OWNER

§ 2.1 GENERAL

§ 2.1.1 The Owner is the person or entity identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The Board of Trustees of Owner, by majority vote, is the only representative of Owner, having the power to enter into a Contract, to execute a change order requiring an increase in the Contract Sum, or agree to an extension of the contractual completion date. The Board shall designate, as appropriate, an authorized representative(s) to act on its behalf during the course of construction. In the event that an emergency changes the scope of the Work before the Board's next regular meeting or in order to facilitate and expedite the timely completion of the Work, the Board's authorized representative(s) may approve construction changes that do not exceed \$5,000.00 in increased costs. Any such changes shall be confirmed in writing between the Contractor and the Board's authorized representative(s) and notice of such approved changes shall be given to the Board at its next regular meeting. The Board will act as soon as reasonably possible to avoid undue delays in the construction completion date.

§ 2.1.2 DELETED.

§ 2.2 INFORMATION AND SERVICES REQUIRED OF THE OWNER

§ 2.2.1 Prior to commencement of the Work, the Contractor may request in writing that the Owner provide reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract. Thereafter, the Contractor may only request such evidence if (1) the Owner fails to make payments to the Contractor as the Contract Documents require; (2) a change in the Work materially changes the Contract Sum; or (3) the Contractor identifies in writing a reasonable concern regarding the Owner's ability to make payment when due. The Owner shall furnish such evidence as a condition precedent to commencement or continuation of the Work or the portion of the Work affected by a material change. After the Owner furnishes the evidence, the Owner shall not materially vary such financial arrangements without prior notice to the Contractor.

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

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

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

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

§ 2.3 OWNER'S RIGHT TO STOP THE WORK

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

§ 2.4 OWNER'S RIGHT TO CARRY OUT THE WORK

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

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

ARTICLE 3 CONTRACTOR

§ 3.1 GENERAL

§ 3.1.1 The Contractor is the person or entity identified as such in the Agreement and is referred to throughout the Contract Documents as if singular in number. The Contractor shall be lawfully licensed, if required in the jurisdiction where the Project is located. The Contractor shall designate in writing a representative who shall have express

authority to bind the Contractor with respect to all matters under this Contract. The term "Contractor" means the Contractor or the Contractor's authorized representative.

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

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

§ 3.2 REVIEW OF CONTRACT DOCUMENTS AND FIELD CONDITIONS BY CONTRACTOR

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

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

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

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

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

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

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

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

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

§ 3.3 SUPERVISION AND CONSTRUCTION PROCEDURES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

§ 3.4 LABOR AND MATERIALS

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

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

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

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

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

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

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

§ 3.5 WARRANTY

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

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

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

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

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

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

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

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

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

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

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

§ 3.6 TAXES

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

§ 3.7 PERMITS, FEES, NOTICES AND COMPLIANCE WITH LAWS

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

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

- a. The Owner shall pay directly to the governing authority the cost of all permanent property utility assessments and similar utility connection charges.
- b. The Contractor shall be responsible for obtaining and paying for all City and County Building Permits, Inspection Fees and Plan Checking Fees; temporary utility charges, tap charges and water meter charges and any other similar fees assessed by jurisdictional authorities having control over the Project.
- c. The Owner shall pay fees payable to the Texas Department of Licensing and Regulations (TDLR) for document review relative to the Elimination of Architectural Barriers Act and the Architect will submit the documents to the TDLR for review and approval.

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

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

§ 3.7.4 Concealed or Unknown Conditions. If the Contractor encounters conditions at the site that are (1) subsurface or otherwise concealed physical conditions that differ materially from those indicated in the Contract Documents or (2) unknown physical conditions of an unusual nature, that differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Contract Documents, the

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

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

§ 3.8 ALLOWANCES

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

§ 3.8.2 Unless otherwise provided in the Contract Documents,

- .1 Allowances shall cover the cost to the Contractor of materials and equipment delivered at the site and all required taxes, less applicable trade discounts;
- .2 Contractor's costs for unloading and handling at the site, labor, installation costs, overhead, profit and other expenses contemplated for stated allowance amounts shall be included in the Contract Sum but not in the allowances; and
- .3 Whenever costs are more than or less than allowances, the Contract Sum shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances under Section 3.8.2.1 and (2) changes in Contractor's costs under Section 3.8.2.2.

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

§ 3.9 SUPERINTENDENT

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

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

§ 3.9.3 DELETED.

§ 3.10 CONTRACTOR'S CONSTRUCTION SCHEDULES

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

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

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

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

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

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

§ 3.11 DOCUMENTS AND SAMPLES AT THE SITE

The Contractor shall maintain at the site for the Owner one copy of the Drawings, Specifications, Addenda, Change Orders and other Modifications, in good order and marked currently to indicate field changes and selections (all changes and selections to be approved by Owner and Architect in advance) made during construction, and one copy of approved Shop Drawings, Product Data, Samples and similar required submittals. These shall be available to the Architect and shall be delivered to the Architect for submittal to the Owner upon completion of the Work as a record of the Work as constructed.

§ 3.11.1 At the Date of Substantial Completion and as a condition precedent to final payment, Contractor shall furnish the following documents to Architect for submittal to Owner: Record Drawings showing the field changes and selections (all changes and selections to be approved by Owner and Architect in advance) affecting the general construction, mechanical, electrical, plumbing, and all other Work, and indicating the Work as actually installed. These shall consist of carefully drawn markings on a set of reproducible prints of Architect's Drawings obtained and paid for by Contractor. Contractor shall maintain at the job site one (1) set of Architect's Drawings and indicate thereon each field change as it occurs. The Contractor shall post all Addenda on Construction Documents prior to commencing work on the site.

§ 3.12 SHOP DRAWINGS, PRODUCT DATA AND SAMPLES

§ 3.12.1 Shop Drawings are drawings, diagrams, schedules and other data specially prepared for the Work by the Contractor or a Subcontractor, Sub-subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Work.

§ 3.12.2 Product Data are illustrations, standard schedules, performance charts, instructions, brochures, diagrams and other information furnished by the Contractor to illustrate materials or equipment for some portion of the Work.

§ 3.12.3 Samples are physical examples that illustrate materials, equipment or workmanship and establish standards by which the Work will be judged.

§ 3.12.4 Shop Drawings, Product Data, Samples and similar submittals are not Contract Documents. Their purpose is to demonstrate the way by which the Contractor proposes to conform to the information given and the design concept expressed in the Contract Documents for those portions of the Work for which the Contract Documents require submittals. Review by the Architect is subject to the limitations of Section 4.2.7. Informational submittals upon which the Architect is not expected to take responsive action may be so identified in the Contract Documents. Submittals that are not required by the Contract Documents may be returned by the Architect without action.

§ 3.12.5 The Contractor shall review for compliance with the Contract Documents, approve and submit to the Architect Shop Drawings, Product Data, Samples and similar submittals required by the Contract Documents in accordance with the submittal schedule approved by the Architect or, in the absence of an approved submittal schedule, with reasonable promptness and in such sequence as to cause no delay in the Work or in the activities of the Owner or of separate contractors. If, in the opinion of the Architect, the Shop Drawings, Product Data, Samples and similar submittals are incomplete, indicate an inadequate understanding of the work covered by the submittals, or indicate a lack of study and review by the Contractor prior to submittal to the Architect, the submittals will be returned, unchecked, to the Contractor for correction of these three deficiencies and subsequent re-submittal. Additional service charges as outlined in Section 3.2.7 may be charged by the Architect in this event.

§ 3.12.6 By submitting Shop Drawings, Product Data, Samples and similar submittals, the Contractor represents to the Owner and Architect that the Contractor has (1) reviewed and approved them, (2) determined and verified materials, field measurements and field construction criteria related thereto, or will do so and (3) checked and coordinated the information contained within such submittals with the requirements of the Work and of the Contract Documents.

§ 3.12.7 The Contractor shall perform no portion of the Work for which the Contract Documents require submittal and review of Shop Drawings, Product Data, Samples or similar submittals until the respective submittal has been approved by the Architect.

§ 3.12.8 The Work shall be in accordance with approved submittals except that the Contractor shall not be relieved of responsibility for deviations from requirements of the Contract Documents by the Architect's approval of Shop

Drawings, Product Data, Samples or similar submittals unless the Contractor has specifically informed the Architect in writing of such deviation at the time of submittal and (1) the Architect has given written approval to the specific deviation as a minor change in the Work, or (2) a Change Order or Construction Change Directive has been issued authorizing the deviation. The Contractor shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples or similar submittals by the Architect's approval thereof.

§ 3.12.9 The Contractor shall direct specific attention, in writing or on resubmitted Shop Drawings, Product Data, Samples or similar submittals, to revisions other than those requested by the Architect on previous submittals. In the absence of such written notice, the Architect's approval of a resubmission shall not apply to such revisions.

§ 3.12.10 The Contractor shall not be required to provide professional services that constitute the practice of architecture or engineering unless such services are specifically required by the Contract Documents for a portion of the Work or unless the Contractor needs to provide such services in order to carry out the Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. The Contractor shall not be required to provide professional services in violation of applicable law. If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of the Contractor by the Contract Documents, the Owner and the Architect will specify all performance and design criteria that such services must satisfy. The Contractor shall cause such services or certifications to be provided by a properly licensed design professional who shall comply with requirements of Owner regarding qualifications and insurance, and whose signature and seal shall appear on all drawings, calculations, specifications, certifications, Shop Drawings and other submittals prepared by such professional. Shop Drawings and other submittals related to the Work designed or certified by such professional, if prepared by others, shall bear such professional's written approval when submitted to the Architect. The Owner and the Architect shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications and approvals performed or provided by such design professionals, provided the Owner and Architect have specified to the Contractor all performance and design criteria that such services must satisfy. Pursuant to this Section 3.12.10, the Architect will review, approve or take other appropriate action on submittals only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Contractor shall not be responsible for the adequacy of the performance and design criteria specified in the Contract Documents.

§ 3.12.11 The Contractor shall submit Shop Drawings, Product Data, Samples and similar submittals required by the Contract Documents to the Architect at least 30 days prior to the date the Contractor needs the reviewed submittals returned. Where colors are to be selected by the Architect, the Contractor shall submit all Samples in adequate time to allow the Architect to prepare a complete selection schedule. In general, all submittals requiring color selection shall be submitted to the Architect within four weeks of the date of the Contract for construction.

§ 3.12.12 The Contractor shall submit the number of copies of Shop Drawings, Product Data, Samples and similar submittals which the Contractor and his Subcontractors need for their use plus two additional sets for the Architect and one additional set for each of the Architect's consultants involved with the particular section of work. Where shop drawings are involved, the Contractor shall submit one high quality reproducible transparency and one opaque print of the shop drawing for the Architect plus one additional opaque print for each of the Architect's consultants involved with the particular section of work. The reproducible transparency will be marked by the Architect and/or his consultants and returned to the Contractor for his use, distribution, correction or re-submittal as required. The Architect and his consultants will retain the marked up prints. After final review and correction of the submittal, the Contractor shall send two corrected sets to the Architect, and one to each of the Architect's consultants involved with the particular section of work.

§ 3.13 USE OF SITE

The Contractor shall confine operations at the site to areas permitted by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities and the Contract Documents and shall not unreasonably encumber the site with materials or equipment.

§ 3.13.1 Only materials and equipment which are to be used directly in the Work shall be brought to and stored on the Project site by the Contractor. After equipment is no longer required for the Work, it shall be promptly removed from the Project site. Protection of construction materials and equipment stored at the Project site from weather, theft, damage and all other adversity is solely the responsibility of the Contractor.

§3.13.2 The Contractor and any entity for whom the Contractor is responsible shall not erect any sign on the Project site without written consent of the Owner.

§3.13.3 Contractor shall ensure that the Work, at all times, is performed in a manner that affords reasonable access, both vehicular and pedestrian, to the site of the Work and all adjacent areas. The Work shall be performed to the fullest extent reasonably possible, in such a manner that public areas adjacent to the site of the Work shall be free from all debris, building materials and equipment likely to cause hazardous conditions. Without limitation of any other provision on the Contract Documents, Contractor shall use its best efforts to minimize any interference with the occupancy or beneficial use of: (1) any area and buildings adjacent to the site or the Work or (2) the Building in the event of partial occupancy.

§3.13.4 Without prior approval of the Owner, the Contractor shall not permit any workers to use any existing facilities at the Project site, including without limitation, lavatories, toilets, entrance and parking areas other than those designated by Owner. Without limitation of any other provisions of the Contract Documents, the Contractor shall use its best efforts to comply with all rules and regulations promulgated by the Owner in connection with the use and occupancy of the Project site and the Building, as amended from time to time.

§ 3.14 CUTTING AND PATCHING

§ 3.14.1 The Contractor shall be responsible for cutting, fitting or patching required to complete the Work or to make its parts fit together properly. All areas requiring cutting, fitting and patching shall be restored to the condition existing prior to the cutting, fitting and patching, unless otherwise required by the Contract Documents.

§ 3.14.2 The Contractor shall not damage or endanger a portion of the Work or fully or partially completed construction of the Owner or separate contractors by cutting, patching or otherwise altering such construction, or by excavation. The Contractor shall not cut or otherwise alter such construction by the Owner or a separate contractor except with written consent of the Owner and of such separate contractor; such consent shall not be unreasonably withheld. The Contractor shall not unreasonably withhold from the Owner or a separate contractor the Contractor's consent to cutting or otherwise altering the Work.

§ 3.15 CLEANING UP

§ 3.15.1 The Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Contract. At completion of the Work, the Contractor shall remove waste materials, rubbish, the Contractor's tools, construction equipment, machinery and surplus materials from and about the Project.

§ 3.15.2 If the Contractor fails to clean up as provided in the Contract Documents, the Owner may do so and Owner shall be entitled to reimbursement from the Contractor.

§ 3.15.3 Prior to the Architect's inspection for Submittal Completion the Contractor shall clean exterior and interior surfaces exposed to view; remove temporary labels, stains, and foreign substances; polish transparent and glossy surfaces; clean equipment and fixtures to a sanitary condition; replace air filters in mechanical equipment; clean roof, gutters and downspouts; remove obstructions and flush debris from drainage systems; clean site; sweep paved areas and rake clean other surfaces; remove trash and surplus materials from the site.

§ 3.16 ACCESS TO WORK

The Contractor shall provide the Owner and Architect access to the Work in preparation and progress wherever located.

§ 3.17 ROYALTIES, PATENTS AND COPYRIGHTS

The Contractor shall pay all royalties and license fees. The Contractor shall defend suits or claims for infringement of copyrights and patent rights and shall hold the Owner and Architect harmless from loss on account thereof, but shall not be responsible for such defense or loss when a particular design, process or product of a particular manufacturer or manufacturers is required by the Contract Documents, or where the copyright violations are contained in Drawings, Specifications or other documents prepared by the Owner or Architect. However, if the Contractor has reason to believe that the required design, process or product is an infringement of a copyright or a patent, the Contractor shall be responsible for such loss unless such information is promptly furnished to the Architect.

§ 3.18 INDEMNIFICATION

§ 3.18.1 To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless Owner, the Board of Trustees of Owner, all elected officials, employees and agents of Owner and of any of the above mentioned parties (the "Indemnified Parties") from and against any and all loss, cost, expense, damage, injury, liability, claim, demand, penalty, or cause of action (including attorneys' fees), directly or indirectly arising out of, resulting from, or related to (in whole or in part), (1) the Work performed hereunder, (2) the Contract, or (3) the act or omission of Contractor, a Subcontractor, or an individual, partnership, joint venture, corporation or other entity (a) directly or indirectly employed by Contractor or a Subcontractor, or (b) for whose acts or omissions Contractor or a Subcontractor may be liable (excluding property damage to the Work itself, covered by Owner's all-risk builder's risk insurance, subject to Contractor's liability for any deductible amounts thereunder). The obligations of Contractor under this indemnification shall apply to all matters except those arising solely from the wanton and willful negligence or the malicious acts or omissions of Owner. Further, the obligations of Contractor under this indemnification shall not extend to the liability of Architect, its agents, or employees, arising out of (1) the preparation or approval of maps, drawings, opinions, reports, surveys, Change Orders, designs, or Specifications, (2) the giving of or failure to give directions or instructions by Architect, its agents, or employees, provided such giving or failure to give is the primary cause of the injury or damage, or (3) any matter prohibited by Section 130.002, Texas Civil Practice and Remedies Code. Contractor shall promptly advise Owner in writing of any action, administrative or legal proceeding, or investigation as to which this indemnification may apply, and Contractor, at Contractor's expense, shall assume on behalf of Owner and conduct with due diligence and in good faith the defense thereof with counsel satisfactory to Owner; provided, Owner shall have the right to be represented therein by advisory counsel of its own selection and at its own expense; and provided further, that if the defendants in any such action include both Contractor and Owner, and Owner shall have reasonably concluded that there may be legal defenses available to it that are different from, or additional to, or inconsistent with, those available to Contractor, then Owner shall have the right to select separate counsel to participate in the defense of such action on its own behalf at Contractor's expense. In the event of failure by Contractor to fully perform in accordance with this indemnification Section, then Owner, at its option, and without relieving Contractor of its obligations hereunder, may so perform, but all costs and expenses so incurred by Owner in that event shall be reimbursed by Contractor to Owner, together with interest on the same from the date any such expense was paid by Owner until reimbursed by Contractor, at the rate of interest provided to be paid on judgments by the law of the jurisdiction to which the interpretation of the Contract is subject. The obligations of Contractor under this Section shall survive the expiration of the Contract and specifically shall survive the limitations contained in Section 15.1 hereof.

§ 3.18.2 In claims against any person or entity indemnified under this Section 3.18 by an employee of the Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under Section 3.18.1 shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for the Contractor or a Subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

§ 3.19 SUBSTITUTIONS OF PRODUCTS AND SYSTEMS, "OR EQUAL" BRANDS

§ 3.19.1 The materials, products and the systems covered by these specifications have been selected as a standard because of quality, particular suitability, or record of satisfactory performance. It is not intended to preclude the use of equivalent or better materials, products or systems provided that it meet the requirements of the particular project and have been approved in an addendum as a substitution prior to the submission of bids. If prior written approval in an addendum has not been obtained, it will be assumed that the Bid is based upon the materials, products, and systems described in the Bidding Documents and no substitutions will be permitted, except as provided hereinafter.

§ 3.19.2 If, after award of contract, the Contractor or one of his Subcontractors or Suppliers determines that any of the products or systems specified will perform in a manner that will limit the Contractor's ability to satisfactorily perform the work or to honor the Warranty, the Contractor shall promptly notify the Architect, in writing, providing detailed substantiation for his position. Any changes deemed necessary by the Owner and Architect, including substitution of materials and change in Contract Sum, either upward or downward, if any, shall be accompanied by appropriate modification.

§ 3.20 RECORD DRAWINGS

§ 3.20.1 At the completion of the project, the Contractor shall submit one complete set of blue lines showing all changes and routing of utilities made during construction, excluding Architect made CAD changes, to the Architect. Drafting

shall be legible to the Architect's satisfaction. The Contractor shall pay for the cost of the required recording/drafting. The record set shall be kept up to date on a daily basis and the Architect shall review its status at the project meetings. The Architect shall furnish the Contractor with a blueline set at contract award which shall have all Addenda incorporated. The Owner will pay for the printing of the blueline set. The Architect will incorporate any record information into the construction (CAD) documents and provide the Owner with an electronic copy of the record information on the Construction documents that have all bid and construction changes incorporated. The cost for incorporating the record information into the CD will be paid for by the Owner. The Architect will transmit the electronic CD to the Owner with a copy of the transmittal to the Contractor's construction manager.

ARTICLE 4 ARCHITECT

§ 4.1 GENERAL

§ 4.1.1 The Owner shall retain an architect lawfully licensed to practice architecture or an entity lawfully practicing architecture in the jurisdiction where the Project is located. That person or entity is identified as the Architect in the Agreement and is referred to throughout the Contract Documents as if singular in number.

§ 4.1.2 Duties, responsibilities and limitations of authority of the Architect as set forth in the Contract Documents shall not be restricted, modified or extended without written consent of the Owner, Contractor and Architect. Consent shall not be unreasonably withheld.

§ 4.1.3 If the employment of the Architect is terminated, the Owner shall employ a successor architect whose status under the Contract Documents shall be that of the former Architect.

§ 4.2 ADMINISTRATION OF THE CONTRACT

§ 4.2.1 The Architect will provide administration of the Contract as described in the Contract Documents and will be an Owner's representative during construction until the date the Architect issues the final Certificate for Payment. The Architect will have authority to act on behalf of the Owner only to the extent provided in the Contract Documents.

§ 4.2.2 The Architect, as representative of the Owner, will visit the site at intervals appropriate to the stage of construction, or as otherwise agreed with the Owner, to become generally familiar with the progress and quality of the portion of the Work completed, and to determine in general if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. The Architect will be required to make on-site inspections as necessary to keep the Owner informed of the progress of the Work and as necessary to guard the Owner against defects and deficiencies in the Work. However, the Architect will not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the Work. The Architect will not have control over, charge of, or responsibility for, the construction means, methods, techniques, sequences or procedures, or for the safety precautions and programs in connection with the Work, since these are solely the Contractor's rights and responsibilities under the Contract Documents, except as provided in Section 3.3.1.

§ 4.2.3 On the basis of the site visits, the Architect will keep the Owner reasonably informed about the progress and quality of the portion of the Work completed, and report to the Owner (1) known deviations from the Contract Documents and from the most recent construction schedule submitted by the Contractor, and (2) defects and deficiencies observed in the Work. The Architect shall not have control over or charge of and shall not be responsible for safety precautions and programs in connection with the Work. Architect shall be responsible for promptly notifying Contractor of the failure of Contractor, Subcontractors or any other persons performing any of the Work, in failing to use proper construction means, methods, techniques, sequences, procedures, safety precautions and programs, but only to the extent Architect becomes aware of, or should, exercising due professional diligence, be aware of, same. Architect shall also promptly notify Owner in writing of the failure of any of the foregoing parties to carry out the Work in accordance with the Contract Documents.

§ 4.2.4 COMMUNICATIONS FACILITATING CONTRACT ADMINISTRATION

Except as otherwise provided in the Contract Documents or when direct communications have been specially authorized, the Owner and Contractor shall endeavor to communicate with each other through the Architect about matters arising out of or relating to the Contract. Communications by and with the Architect's consultants shall be through the Architect. Communications by and with Subcontractors and material suppliers shall be through the Contractor. Communications by and with separate contractors shall be through the Owner.

§ 4.2.5 Based on the Architect's evaluations of the Contractor's Applications for Payment, the Architect will review and certify the amounts due the Contractor and will issue Certificates for Payment in such amounts.

§ 4.2.6 The Architect has authority and responsibility to reject Work that does not conform to the Contract Documents. Whenever the Architect considers it necessary or advisable, the Architect will have authority to require inspection or testing of the Work in accordance with Sections 13.5.2 and 13.5.3, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Architect nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Architect to the Contractor, Subcontractors, material and equipment suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 4.2.7 The Architect will review and approve or reject, or take other appropriate action upon, the Contractor's submittals such as Shop Drawings, Product Data and Samples, for conformance with information given and the design concept expressed in the Contract Documents. The Architect's action will be taken in accordance with the submittal schedule approved by the Architect or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time in the Architect's professional judgment to permit adequate review. Review of such submittals is not conducted for the purpose of determining the accuracy and completeness of other details such as dimensions and quantities, or for substantiating instructions for installation or performance of equipment or systems, all of which remain the responsibility of the Contractor as required by the Contract Documents. The Architect's review of the Contractor's submittals shall not relieve the Contractor of the obligations under Sections 3.3, 3.5 and 3.12. The Architect's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Architect, of any construction means, methods, techniques, sequences or procedures. The Architect's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

§ 4.2.8 The Architect will prepare Change Orders and Construction Change Directives, and may authorize minor changes in the Work as provided in Section 7.4. The Architect will investigate and make determinations and recommendations regarding concealed and unknown conditions as provided in Section 3.7.4.

§ 4.2.9 The Architect will conduct inspections to determine the date or dates of Substantial Completion and the date of final completion; issue Certificates of Substantial Completion pursuant to Section 9.8; receive and forward to the Owner, for the Owner's review and records, written warranties and related documents required by the Contract and assembled by the Contractor pursuant to Section 9.10; and issue a final Certificate for Payment pursuant to Section 9.10.

§ 4.2.10 If the Owner and Architect agree, the Architect will provide one or more project representatives to assist in carrying out the Architect's responsibilities at the site. The duties, responsibilities and limitations of authority of such project representatives shall be as set forth in an exhibit to be incorporated in the Contract Documents.

§ 4.2.11 The Architect will interpret and decide matters concerning performance under, and requirements of, the Contract Documents on written request of either the Owner or Contractor. The Architect's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness.

§ 4.2.12 Interpretations and decisions of the Architect will be consistent with the intent of, and reasonably inferable from, the Contract Documents and will be in writing or in the form of drawings. When making such interpretations and decisions, the Architect will endeavor to secure faithful performance by both Owner and Contractor, will not show partiality to either and will not be liable for results of interpretations or decisions rendered in good faith.

§ 4.2.13 DELETED.

§ 4.2.14 The Architect will review and respond to requests for information about the Contract Documents. The Architect's response to such requests will be made in writing within any time limits agreed upon or otherwise with reasonable promptness. If appropriate, the Architect will prepare and issue supplemental Drawings and Specifications in response to the requests for information.

ARTICLE 5 SUBCONTRACTORS

§ 5.1 DEFINITIONS

§ 5.1.1 A Subcontractor is a person or entity who has a direct contract with the Contractor to perform a portion of the Work at the site or to otherwise furnish labor, material or other services with respect to a portion of the Work. The term "Subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include a separate contractor or subcontractors of a separate contractor.

§ 5.1.2 A Sub-subcontractor is a person or entity who has a direct or indirect contract with a Subcontractor to perform a portion of the Work at the site or to otherwise furnish labor, material or other services with respect to a portion of the Work. The term "Sub-subcontractor" is referred to throughout the Contract Documents as if singular in number and means a Sub-subcontractor or an authorized representative of the Sub-subcontractor.

§ 5.2 AWARD OF SUBCONTRACTS AND OTHER CONTRACTS FOR PORTIONS OF THE WORK

§ 5.2.1 Unless otherwise stated in the Contract Documents or the bidding requirements, the Contractor, as soon as practicable after award of the Contract, but no later than 10 days prior to the submittal date for the Contractor's first Application for Payment shall furnish in writing to the Owner through the Architect the names of persons or entities (including those who are to furnish materials or equipment fabricated to a special design) proposed for each principal portion of the Work. The Architect may reply within 14 days to the Contractor in writing stating (1) whether the Owner or the Architect has reasonable objection to any such proposed person or entity or (2) that the Architect requires additional time for review. Failure of the Owner or Architect to reply within the 14-day period shall constitute notice of no reasonable objection. Failure of the Contractor to submit the subject names in a timely manner may delay processing of the Contractor's Application for Payment.

§ 5.2.2 The Contractor shall not contract with a proposed person or entity to whom the Owner or Architect has made reasonable and timely objection. The Contractor shall not be required to contract with anyone to whom the Contractor has made reasonable objection.

§ 5.2.3 If the Owner or Architect has reasonable objection to a person or entity proposed by the Contractor, the Contractor shall propose another to whom the Owner or Architect has no reasonable objection.

§ 5.2.4 The Contractor shall not substitute a Subcontractor, person or entity previously selected if the Owner or Architect makes reasonable objection to such substitution.

§ 5.3 SUBCONTRACTUAL RELATIONS

By appropriate written agreement, the Contractor shall require each Subcontractor, to the extent of the Work to be performed by the Subcontractor, to be bound to the Contractor by terms of the Contract Documents, and to assume toward the Contractor all the obligations and responsibilities, including the responsibility for safety of the Subcontractor's Work, which the Contractor, by these Documents, assumes toward the Owner and Architect. Each subcontract agreement shall preserve and protect the rights of the Owner and Architect under the Contract Documents with respect to the Work to be performed by the Subcontractor so that subcontracting thereof will not prejudice such rights, and shall allow to the Subcontractor, unless specifically provided otherwise in the subcontract agreement, the benefit of all rights, remedies and redress against the Contractor that the Contractor, by the Contract Documents, has against the Owner. Where appropriate, the Contractor shall require each Subcontractor to enter into similar agreements with Sub-subcontractors. The Contractor shall make available to each proposed Subcontractor, prior to the execution of the subcontract agreement, copies of the Contract Documents to which the Subcontractor will be bound, and, upon written request of the Subcontractor, identify to the Subcontractor terms and conditions of the proposed subcontract agreement that may be at variance with the Contract Documents. Subcontractors will similarly make copies of applicable portions of such documents available to their respective proposed Sub-subcontractors.

§ 5.3.1 All subcontracts shall be in written form and shall specifically provide that Owner is an intended third-party beneficiary of the subcontract.

§ 5.4 CONTINGENT ASSIGNMENT OF SUBCONTRACTS

§ 5.4.1 Each subcontract agreement for a portion of the Work is assigned by the Contractor to the Owner, provided that

- .1 assignment is effective only after termination of the Contract by the Owner for cause pursuant to Section 14.2 and only for those subcontract agreements that the Owner accepts by notifying the Subcontractor and Contractor in writing; and
- .2 assignment is subject to the prior rights of the surety, if any, obligated under bond relating to the Contract.

When the Owner accepts the assignment of a subcontract agreement, the Owner assumes the Contractor's rights and obligations under the subcontract.

§ 5.4.2 Upon such assignment, if the Work has been suspended for more than 30 days, the Subcontractor's compensation shall be equitably adjusted for increases in cost resulting from the suspension.

§ 5.4.3 Upon such assignment to the Owner under this Section 5.4, the Owner may further assign the subcontract to a successor contractor or other entity.

§ 5.5 Contractor shall promptly notify Owner and Architect of any material defaults by any Sub-contractor. Notwithstanding any provision contained in Article 5 to the contrary, it is hereby acknowledged and agreed that Owner has in no way agreed, expressly or implicitly, nor will Owner agree, to allow any Sub-contractor or other materialman or workman employed by Contractor the right to obtain a personal judgment or to create a lien against Owner for the amount due from the Contractor.

ARTICLE 6 CONSTRUCTION BY OWNER OR BY SEPARATE CONTRACTORS

§ 6.1 OWNER'S RIGHT TO PERFORM CONSTRUCTION AND TO AWARD SEPARATE CONTRACTS

§ 6.1.1 The Owner reserves the right to perform construction or operations related to the Project with the Owner's own forces, and to award separate contracts in connection with other portions of the Project or other construction or operations on the site under Conditions of the Contract identical or substantially similar to these including those portions related to insurance and waiver of subrogation. If the Contractor claims that delay or additional cost is involved because of such action by the Owner, the Contractor shall make such Claim as provided in Article 15.

§ 6.1.2 When separate contracts are awarded for different portions of the Project or other construction or operations on the site, the term "Contractor" in the Contract Documents in each case shall mean the Contractor who executes each separate Owner-Contractor Agreement.

§ 6.1.3 The Owner shall provide for coordination of the activities of the Owner's own forces and of each separate contractor with the Work of the Contractor, who shall cooperate with them. The Contractor shall participate with other separate contractors and the Owner in reviewing their construction schedules. The Contractor shall make any revisions to the construction schedule deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by the Contractor, separate contractors and the Owner until subsequently revised.

§ 6.1.4 Unless otherwise provided in the Contract Documents, when the Owner performs construction or operations related to the Project with the Owner's own forces, the Owner shall be deemed to be subject to the same obligations and to have the same rights that apply to the Contractor under the Conditions of the Contract, including, without excluding others, those stated in Article 3, this Article 6 and Articles 10, 11 and 12.

§ 6.2 MUTUAL RESPONSIBILITY

§ 6.2.1 The Contractor shall afford the Owner and separate contractors reasonable opportunity for introduction and storage of their materials and equipment and performance of their activities, and shall connect and coordinate the Contractor's construction and operations with theirs as required by the Contract Documents.

§ 6.2.2 If part of the Contractor's Work depends for proper execution or results upon construction or operations by the Owner or a separate contractor, the Contractor shall, prior to proceeding with that portion of the Work, promptly report to the Architect apparent discrepancies or defects in such other construction that would render it unsuitable for such proper execution and results. Failure of the Contractor so to report shall constitute an acknowledgment that the Owner's or separate contractor's completed or partially completed construction is fit and proper to receive the Contractor's Work, except as to defects not then reasonably discoverable.

§ 6.2.3 DELETED.

§ 6.2.4 The Contractor shall promptly remedy damage the Contractor causes to completed or partially completed construction or to property of the Owner or separate contractors as provided in Section 10.2.5.

§ 6.2.5 The Owner and each separate contractor shall have the same responsibilities for cutting and patching as are described for the Contractor in Section 3.14.

§ 6.3 OWNER'S RIGHT TO CLEAN UP

If a dispute arises among the Contractor, separate contractors and the Owner as to the responsibility under their respective contracts for maintaining the premises and surrounding area free from waste materials and rubbish, the Owner may clean up and the Architect will allocate the cost among those responsible.

ARTICLE 7 CHANGES IN THE WORK

§ 7.1 GENERAL

§ 7.1.1 Changes in the Work may only be accomplished after execution of the Contract, and without invalidating the Contract, by Change Order, Construction Change Directive or order for a minor change in the Work, subject to the limitations stated in this Article 7 and elsewhere in the Contract Documents and is subject to the approval of the Owner.

§ 7.1.2 A Change Order shall be based upon agreement among the Owner, Contractor and Architect; a Construction Change Directive requires agreement by the Owner and Architect and may or may not be agreed to by the Contractor; an order for a minor change in the Work may be issued by the Architect and is subject to the approval of the Owner.

§ 7.1.3 Changes in the Work shall be performed under applicable provisions of the Contract Documents, and the Contractor shall proceed promptly, unless otherwise provided in the Change Order, Construction Change Directive or order for a minor change in the Work. Except as permitted in Section 7.3 and 9.7, a change in the Contract Sum or the Contract Time shall be accomplished only by Change Order. Accordingly, no course of conduct or dealings between the parties, nor express or implied acceptance of alterations or additions to the Work and no claim that Owner has been unjustly enriched by any alteration of or addition to the Work, whether or not there is, in fact, any unjust enrichment to the Work, shall be the basis of any claim to an increase in any amounts due under the Contract Documents or a change in any time period provided for in the Contract Documents.

§ 7.2 CHANGE ORDERS

§ 7.2.1 A Change Order is a written instrument prepared by the Architect and signed by the Owner, Contractor and Architect stating their agreement upon all of the following:

- .1 The change in the Work;
- .2 The amount of the adjustment, if any, in the Contract Sum; and
- .3 The extent of the adjustment, if any, in the Contract Time.

§ 7.2.2 Agreement on any Change Order shall constitute a final settlement of all matters relating to the change in the Work that is the subject of the Change Order, including, but not limited, to all direct and indirect costs associated with such change and any and all adjustments to the Contract Sum and the construction schedule.

§ 7.2.3 Contractor shall keep and periodically submit to Owner copies of a log for all Change Orders.

§ 7.3 CONSTRUCTION CHANGE DIRECTIVES

§ 7.3.1 A Construction Change Directive is a written order prepared by the Architect and signed by the Owner and Architect, directing a change in the Work prior to agreement on adjustment, if any, in the Contract Sum or Contract Time, or both. The Owner may by Construction Change Directive, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions, the Contract Sum and Contract Time being adjusted accordingly. Contractor shall keep and periodically submit to Owner copies of a log for all Construction Change Directives and a log for all requests for information.

§ 7.3.2 A Construction Change Directive shall be used in the absence of total agreement on the terms of a Change Order.

§ 7.3.3 If the Construction Change Directive provides for an adjustment to the Contract Sum, the adjustment shall be based on one of the following methods:

- .1 Mutual acceptance of a lump sum properly itemized and supported by sufficient substantiating data to permit evaluation in writing between the Owner and the Contractor;
- .2 Unit prices stated in the Contract Documents or subsequently agreed upon in writing between the Owner and the Contractor;
- .3 Cost to be determined in a manner agreed upon by the parties and a mutually acceptable fixed or percentage fee, in each case in writing between the Owner and the Contractor; or
- .4 As provided in Section 7.3.7.

§ 7.3.4 If unit prices are stated in the Contract Documents or subsequently agreed upon, and if quantities originally contemplated are materially changed in a proposed Change Order or Construction Change Directive so that application of such unit prices to quantities of Work proposed will cause substantial inequity to the Owner or Contractor, the applicable unit prices shall be equitably adjusted.

§ 7.3.5 Upon receipt of a Construction Change Directive, the Contractor shall promptly proceed with the change in the Work involved and advise the Architect of the Contractor's agreement or disagreement with the method, if any, provided in the Construction Change Directive for determining the proposed adjustment in the Contract Sum or Contract Time.

§ 7.3.6 A Construction Change Directive signed by the Contractor indicates the Contractor's agreement therewith, including adjustment in Contract Sum and Contract Time or the method for determining them. Such agreement shall be effective immediately and shall be recorded as a Change Order.

§ 7.3.7 If the Contractor does not respond promptly or disagrees with the method for adjustment in the Contract Sum, the Architect shall determine the method and the adjustment on the basis of reasonable expenditures and savings of those performing the Work attributable to the change, including, in case of an increase in the Contract Sum, an amount for overhead and profit not to exceed a total maximum of **fifteen percent (15%)** for all Work, and further limited to as follows, not to exceed five percent (5%) for Work done by Contractor's employees and **ten percent (10%)** of such Work's actual cost to be apportioned between any and all Subcontractors and Sub-subcontractor. "Actual cost" does not include any item that could be deemed to be a general conditions cost or overhead, such as, but not limited to, the cost of Contractor and Subcontractor supervisory personnel assigned to the Work, and field office and related expenses. In such case, and also under Section 7.3.3.3, the Contractor shall keep and present, in such form as the Architect may prescribe, an itemized accounting together with appropriate supporting data. Unless otherwise provided in the Contract Documents, costs for the purposes of this Section 7.3.7 shall be limited to the following:

- .1 Costs of labor, including social security, old age and unemployment insurance, fringe benefits required by agreement or custom, and workers' compensation insurance;
- .2 Costs of materials, supplies and equipment, including cost of transportation, whether incorporated or consumed;
- .3 Rental costs of machinery and equipment, exclusive of hand tools, whether rented from the Contractor or others;
- .4 Costs of premiums for all bonds and insurance, permit fees, and sales, use or similar taxes related to the Work; and
- .5 Additional costs of supervision and field office personnel directly attributable to the change.

§ 7.3.8 The amount of credit to be allowed by the Contractor to the Owner for a deletion or change that results in a net decrease in the Contract Sum shall be actual net cost as confirmed by the Architect. When both additions and credits covering related Work or substitutions are involved in a change, the allowance for overhead and profit shall be figured on the basis of net increase, if any, with respect to that change.

§ 7.3.9 Pending final determination of the total cost of a Construction Change Directive to the Owner, the Contractor may request payment for Work completed under the Construction Change Directive in Applications for Payment. The Architect will make an interim determination for purposes of monthly certification for payment for those costs and certify for payment the amount that the Architect determines, in the Architect's professional judgment, to be

reasonably justified. The Architect's interim determination of cost shall adjust the Contract Sum on the same basis as a Change Order, subject to the right of either party to disagree and assert a Claim in accordance with Article 15.

§ 7.3.10 When the Owner and Contractor agree with a determination made by the Architect concerning the adjustments in the Contract Sum and Contract Time, or otherwise reach agreement upon the adjustments, such agreement shall be effective immediately and the Architect will prepare a Change Order. Change Orders may be issued for all or any part of a Construction Change Directive.

§ 7.4 MINOR CHANGES IN THE WORK

The Architect has authority after having obtained Owner's approval to order minor changes in the Work not involving adjustment in the Contract Sum or extension of the Contract Time and not inconsistent with the intent of the Contract Documents. Such changes will be effected by written order signed by the Architect and shall be binding on the Owner and Contractor.

ARTICLE 8 TIME

§ 8.1 DEFINITIONS

§ 8.1.1 Unless otherwise provided, Contract Time is the period of time, including authorized adjustments, allotted in the Contract Documents for Substantial Completion of the Work.

§ 8.1.1.1 The Work shall be fully completed within the time limit and/or date stated in the Contract between Owner and Contractor.

§ 8.1.1.2 Liquidated Damages: If the Contractor should fail to fully complete the Work within the stated time (subject however to extension of time duly granted in the manner and for the causes specified in the General Conditions), Contractor shall be charged by and shall pay to Owner, as liquidated damages, the sum specified in Article 3 of the AIA document A101 – 2017 by and between Owner and Contractor to which this document is attached as Exhibit A per calendar day that the Work remains incomplete beyond the time fixed for completion. Contractor hereby agrees that from the nature of the project it would be impracticable and extremely difficult to fix the actual damage that would or will be suffered in the event that Contractor should fail to fully complete the Work by the time limit or date stated and the amount of the liquidated damages are fair and reasonable. The parties agree that the liquidated damages are a reasonable forecast of just compensation for the harm done to Owner that would be caused by Contractor's failure to timely complete the Work. Contractor agrees that the amount of liquidated damages due Owner may be deducted by Owner from any monies that might otherwise be or become payable to Contractor.

§ 8.1.2 The date of commencement of the Work is the date established in the Agreement.

§ 8.1.3 The date of Substantial Completion is the date certified by the Architect in accordance with Section 9.8.

§ 8.1.4 The term "day" as used in the Contract Documents shall mean calendar day unless otherwise specifically defined.

§ 8.2 PROGRESS AND COMPLETION

§ 8.2.1 Time limits stated in the Contract Documents are of the essence of the Contract. By executing the Agreement the Contractor confirms that the Contract Time is a reasonable period for performing the Work.

§ 8.2.2 The Contractor shall not knowingly, except by agreement or instruction of the Owner in writing, prematurely commence operations on the site or elsewhere prior to the effective date of insurance required by Article 11 to be furnished by the Contractor and Owner. The date of commencement of the Work shall not be changed by the effective date of such insurance.

§ 8.2.3 The Contractor shall proceed expeditiously with adequate forces and shall achieve Substantial Completion within the Contract Time.

§ 8.3 DELAYS AND EXTENSIONS OF TIME

§ 8.3.1 If the Contractor is delayed at any time in the commencement or progress of the Work by an act or neglect of the Owner or Architect, or of an employee of either, or of a separate contractor employed by the Owner; or by changes ordered in the Work; or by labor disputes, fire, unusual delay in deliveries, unavoidable casualties or other causes

beyond the Contractor's control; or by delay authorized by Owner pending mediation, or by other causes that the Architect determines may justify delay, then the Contract Time shall be extended by Change Order for such reasonable time as the Architect may determine provided, however, that such extension of Contract Time shall be net of any delays caused by or due to the fault or negligence of Contractor or that are otherwise the responsibility of Contractor and shall also be net of any contingency or "float" time allowance included in Contractor's construction schedule. Contractor shall, in the event of any occurrence likely to cause a delay, cooperate in good faith with Architect and Owner to minimize and mitigate the impact of any such occurrence and do all things reasonable under the circumstances to achieve this goal.

§ 8.3.2 Claims relating to time shall be made in accordance with applicable provisions of Article 15.

§ 8.3.3 This Section 8.3 does not preclude recovery of damages for delay by either party under other provisions of the Contract Documents. Contractor shall not be entitled to damages of any type for delays caused by Owner, his servant, agents, employees, or separate Contractors hired or retained by Owner. Contractor may receive an extension or extensions for additional time in which to complete the Contract but shall not receive any damages of any type for such delays. Changes in the Work, regardless of the extent or number of such Changes or Owner's exercise of any of its remedies of suspension of the Work or requirement of correction or re-execution of any defective Work, shall not under any circumstances be construed as intentional interference with Contractor's performance of the Work.

ARTICLE 9 PAYMENTS AND COMPLETION

§ 9.1 CONTRACT SUM

The Contract Sum is stated in the Agreement and, including authorized adjustments, is the total amount payable by the Owner to the Contractor for performance of the Work under the Contract Documents.

§ 9.1.1 Commitment of Current Revenues Only. As reflected in Section 4.5 of the modified AIA document A101 – 2017 Edition by and between Owner and Contractor to which this document is attached as Exhibit A, in the event that, during any term hereof, the governing body of any party does not appropriate sufficient funds to meet the obligations of such party under this Contract, then any party may terminate this Contract upon ninety (90) days written notice to the other party. Each of the parties hereto agrees, however, to use its best efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of each party hereto pursuant to the provisions of Tex. Loc. Govt. Code Ann. § 271.903.

§ 9.2 SCHEDULE OF VALUES

Where the Contract is based on a stipulated sum or Guaranteed Maximum Price, the Contractor shall submit to the Owner and to the Architect, before the first Application for Payment, a schedule of values allocating the entire Contract Sum to the various portions of the Work, which in the aggregate equals the total Contract Sum, divided so as to facilitate payments to Subcontractors, supported by such evidence of correctness as Architect may direct or as required by Owner. This schedule, when approved by Architect and Owner, shall be used to monitor the progress of the Work and as a basis for Certificates for Payment. All items with entered values will be transferred by Contractor to the "Application and Certificate for Payment," and shall include the latest approved Change Orders and Construction Change Directives. Change Order values and Construction Change Directives values shall be broken down to show the various subcontracts. The Application for Payment shall be on a form as provided by Architect and approved by Owner. Each item shall show its total scheduled value, value of previous applications, value of the application, percentage completed, value completed, and value yet to be completed. All blanks and columns must be filled in, including every percentage complete figure. This schedule, unless objected to by the Architect, shall be used as a basis for reviewing the Contractor's Applications for Payment.

§ 9.3 APPLICATIONS FOR PAYMENT

§ 9.3.1 At least ten days before the date established for each progress payment, the Contractor shall submit to the Architect an itemized Application for Payment prepared in accordance with the schedule of values, for completed portions of the Work. Such application shall be notarized, if required, and supported by such data substantiating the Contractor's right to payment as the Owner or Architect may require, such as copies of requisitions from Subcontractors and material suppliers, and shall reflect retainage if provided for in the Contract Documents. Any

allowances included in the Application for Payment shall be separately itemized with supporting data attached. The Application for Payment shall be accompanied by a certification by an office of Contractor to the effect that:

There are no known mechanics', materialman's or laborers' liens or claims, or any other liens or claims, legal or equitable, contractual, statutory, or constitutional, outstanding or known to exist at the date of this Application; all due and payable bills with respect to the Work have been paid to date or are included in the amount requested in the current Application and there is no known basis for the filing of any mechanics', materialman's or laborers' lien or claim, or any other lien or claim, legal or equitable, contractual, statutory, or constitutional, on the Work; and waivers and releases from all Subcontractors, laborers, and material men for Work done and materials furnished have been obtained in such form as to constitute an effective waiver and release of all such liens and claims under the laws of the state within which the Project is located and shall be delivered to Architect together with Contractor's waiver and release of liens and claims at the time of submission of the Application for Payment.

§ 9.3.1.1 As provided in Section 7.3.9, such applications may include requests for payment on account of changes in the Work that have been properly authorized by Construction Change Directives, or by interim determinations of the Architect, but not yet included in Change Orders.

§ 9.3.1.2 Applications for Payment shall not include requests for payment for portions of the Work for which the Contractor does not intend to pay a Subcontractor or material supplier, unless such Work has been performed by others whom the Contractor intends to pay.

§ 9.3.2 Unless otherwise provided in the Contract Documents, payments shall be made on account of materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work. If approved in advance by the Owner, payment may similarly be made for materials and equipment suitably stored off the site at a location agreed upon in writing by the Owner and Surety. Payment for materials and equipment stored on or off the site shall be conditioned upon compliance by the Contractor with procedures satisfactory to the Owner to establish the Owner's title to such materials and equipment or otherwise protect the Owner's interest, and shall include the costs of applicable insurance, storage and transportation to the site for such materials and equipment stored off the site. Under no circumstances will the Owner reimburse the Contractor for down payments, deposits, or other advance payments for materials or equipment.

§ 9.3.3 The Contractor warrants that title to all Work covered by an Application for Payment will pass to the Owner no later than the time of payment. The Contractor further warrants that upon submittal of an Application for Payment all Work for which Certificates for Payment have been previously issued and payments received from the Owner shall, to the best of the Contractor's knowledge, information and belief, be free and clear of liens, claims, security interests or encumbrances in favor of the Contractor, Subcontractors, material suppliers, or other persons or entities making a claim by reason of having provided labor, materials and equipment relating to the Work. The vesting of such title shall not impose any obligations on Owner or relieve Contractor of any of its obligations under the Contract, that Contractor shall remain responsible for damage to or loss of the Work, whether completed or under construction, until responsibility for the Work has been accepted by Owner in the manner set forth in the Contract Documents.

§ 9.4 CERTIFICATES FOR PAYMENT

§ 9.4.1 The Architect will, within seven days after receipt of the Contractor's Application for Payment, either issue to the Owner a Certificate for Payment, with a copy to the Contractor, for such amount as the Architect determines is properly due, or notify the Contractor and Owner in writing of the Architect's reasons for withholding certification in whole or in part as provided in Section 9.5.1.

§ 9.4.2 The issuance of a Certificate for Payment will constitute a representation by the Architect to the Owner, based on the Architect's evaluation of the Work and on all other information available to Architect including, without limitation, the data comprising the Application for Payment, that, to the best of the Architect's knowledge, information and belief, the Work has progressed to the point indicated and that the quality of the Work is in accordance with the Contract Documents. The foregoing representations are subject to an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion, to results of subsequent tests and

inspections, to correction of minor deviations from the Contract Documents prior to completion and to specific qualifications expressed by the Architect. The issuance of a Certificate for Payment will further constitute a representation that the Contractor is entitled to payment in the amount certified and that the aggregate amount theretofore paid to Contractor plus any applicable retention does not exceed the value of the completed portion of the Work. However, the issuance of a Certificate for Payment will not be a representation that the Architect has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Work, (2) reviewed construction means, methods, techniques, sequences or procedures, or (3) made examination to ascertain how or for what purpose the Contractor has used money previously paid on account of the Contract Sum.

§ 9.5 DECISIONS TO WITHHOLD CERTIFICATION

§ 9.5.1 The Architect may withhold a Certificate for Payment in whole or in part, to the extent reasonably necessary to protect the Owner, if in the Architect's opinion the representations to the Owner required by Section 9.4.2 cannot be made. If the Architect is unable to certify payment in the amount of the Application, the Architect will notify the Contractor and Owner as provided in Section 9.4.1. If the Contractor and Architect cannot agree on a revised amount, the Architect will promptly issue a Certificate for Payment for the amount for which the Architect is able to make such representations to the Owner. The Architect may also withhold a Certificate for Payment or, because of subsequently discovered evidence, may nullify the whole or a part of a Certificate for Payment previously issued, to such extent as may be necessary in the Architect's opinion to protect the Owner from loss for which the Contractor is responsible, including loss resulting from acts and omissions described in Section 3.3.2, because of

- .1 defective Work not remedied;
- .2 third party claims filed or reasonable evidence indicating probable filing of such claims unless security acceptable to the Owner is provided by the Contractor;
- .3 failure of the Contractor to make payments properly to Subcontractors or for labor, materials or equipment;
- .4 reasonable evidence that the Work cannot be completed for the unpaid balance of the Contract Sum;
- .5 damage to the Owner or a separate contractor;
- .6 reasonable evidence that the Work will not be completed within the Contract Time, or that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay; or
- .7 failure to carry out the Work in accordance with the Contract Documents.

§ 9.5.2 When the above reasons for withholding certification are removed, certification will be made for amounts previously withheld.

§ 9.5.3 If the Architect withholds certification for payment under Section 9.5.1.3, the Owner may, at its sole option, issue joint checks to the Contractor and to any Subcontractor or material or equipment suppliers to whom the Contractor failed to make payment for Work properly performed or material or equipment suitably delivered. If the Owner makes payments by joint check, the Owner shall notify the Architect and the Architect will reflect such payment on the next Certificate for Payment.

§ 9.5.4 Notwithstanding any provision contained within this Article, if the Work has not attained Substantial Completion within the Contract Time, subject to extensions of time allowed under these Conditions, Architect may withhold any further payment to Contractor to the extent necessary to preserve sufficient funds to complete the construction of the Project and to cover liquidated damages assessed against Contractor up to the time of the Application for Payment and to the time it is reasonably anticipated that Substantial Completion will be achieved.

§ 9.6 PROGRESS PAYMENTS

§ 9.6.1 After the Architect has issued a Certificate for Payment, the Owner shall make payment in the manner and within the time provided in the Contract Documents, and shall so notify the Architect. Owner may refuse to make payment on any Certificate for Payment for any default of the Contract, including, but not limited to, those defaults set forth in Sections 9.5.1.1 through 9.5.1.7. Owner shall not be deemed in default by reason of withholding payment while any of such defaults remain uncured.

§ 9.6.2 The Contractor shall pay each Subcontractor no later than seven days after receipt of payment from the Owner the amount to which the Subcontractor is entitled, reflecting percentages actually retained from payments to the Contractor on account of the Subcontractor's portion of the Work. The Contractor shall, by appropriate agreement with each Subcontractor, require each Subcontractor to make payments to Sub-subcontractors in a similar manner.

§ 9.6.3 The Architect will, on request, furnish to a Subcontractor, if practicable, information regarding percentages of completion or amounts applied for by the Contractor and action taken thereon by the Architect and Owner on account of portions of the Work done by such Subcontractor.

§ 9.6.4 The Owner has the right to request written evidence from the Contractor that the Contractor has properly paid Subcontractors and material and equipment suppliers amounts paid by the Owner to the Contractor for subcontracted Work. If the Contractor fails to furnish such evidence within seven days, the Owner shall have the right to contact Subcontractors to ascertain whether they have been properly paid. Neither the Owner nor Architect shall have an obligation to pay or to see to the payment of money to a Subcontractor.

§ 9.6.5 Contractor payments to material and equipment suppliers shall be treated in a manner similar to that provided in Sections 9.6.2, 9.6.3 and 9.6.4.

§ 9.6.6 A Certificate for Payment, a progress payment, or partial or entire use or occupancy of the Project by the Owner shall not constitute acceptance of Work not in accordance with the Contract Documents.

§ 9.6.7 DELETED.

§ 9.7 FAILURE OF PAYMENT

If the Architect does not issue a Certificate for Payment, through no fault of the Contractor, within seven days after receipt of the Contractor's Application for Payment, or if the Owner does not, for reasons other than a default of the Contract, including but not limited to, those defaults set forth in Sections 9.5.1.1 through 9.5.1.7 pay the Contractor within seven days after the date established in the Contract Documents the amount certified by the Architect, then the Contractor may, upon seven additional days' written notice to the Owner and Architect, stop the Work until payment of the amount owing has been received. The Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Contractor's reasonable costs of shut-down, delay and start-up, plus interest as provided for in the Contract Documents.

§ 9.7.1 If Owner is entitled to reimbursement or payment from Contractor under or pursuant to the Contract Documents, such payment shall be made promptly upon demand by Owner. Notwithstanding anything contained in the Contract Documents to the contrary, if Contractor fails to promptly make any payment due Owner, or if Owner incurs any costs and expenses to cure any default of Contractor or to correct defective Work, Owner shall have an absolute right to offset such amount against the Contract Sum and may, in Owner sole discretion, elect either to (i) deduct an amount equal to that which Owner is entitled from any payment then or thereafter due Contractor from Owner, or (ii) issue a written notice to Contractor reducing the Contract Sum by an amount equal to that which Owner is entitled.

§ 9.8 SUBSTANTIAL COMPLETION

§ 9.8.1 Substantial Completion is the stage in the progress of the Work when the Work or designated portion thereof (which Owner agrees to accept separately) is sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work for its intended use.

§ 9.8.2 When the Contractor considers that the Work, or a portion thereof which the Owner agrees to accept separately, is substantially complete, the Contractor shall prepare and submit to the Architect a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of the Contractor to complete all Work in accordance with the Contract Documents.

§ 9.8.3 Upon receipt of the Contractor's list, the Architect will make an inspection to determine whether the Work or designated portion thereof is substantially complete. If the Architect's inspection discloses any item, whether or not included on the Contractor's list, which is not sufficiently complete in accordance with the Contract Documents so that the Owner can occupy or utilize the Work or designated portion thereof for its intended use, the Contractor shall, before issuance of the Certificate of Substantial Completion, complete or correct such item upon notification by the Architect. In such case, the Contractor shall then submit a request for another inspection by the Architect to determine Substantial Completion.

§ 9.8.4 When the Work or designated portion thereof is substantially complete, the Architect will prepare a Certificate of Substantial Completion that shall establish the date of Substantial Completion, shall establish responsibilities of the Owner and Contractor for security, maintenance, heat, utilities, damage to the Work and insurance, and shall fix the time within which the Contractor shall finish all items on the list accompanying the Certificate. Warranties required by the Contract Documents shall commence on the date of issuance of the certificate of final payment by Architect unless otherwise provided in the Certificate of Substantial Completion. The Work will not be considered suitable for Substantial Completion review until all Project systems included in the Work are operational as designed and scheduled, all designated or required governmental inspections and certifications have been made and posted, designated instruction of Owner's personnel in the operation of systems has been completed, and all final finishes within the Contract are in place. In general, the only remaining Work shall be minor in nature, so that Owner and/or Owner's employees and if applicable, the public, could occupy the building on that date and the completing of the Work by Contractor would not materially interfere or hamper Owner's or Owner's employees and if applicable, the public, (or those claiming by, through, or under Owner) from normal County operations. As a further condition of Substantial Completion acceptance, Contractor shall certify that all remaining Work will be completed within thirty (30) consecutive calendar days or as agreed upon following the Date of Substantial Completion. If Contractor requests a Substantial Completion review, and Architect, after performing the Substantial Completion review, finds that the Project was not ready for the Substantial Completion review, then Contractor shall pay the Architect's fees for any additional Substantial Completion reviews.

§ 9.8.5 The Certificate of Substantial Completion shall be submitted to the Owner and Contractor for their written acceptance of responsibilities assigned to them in such Certificate. Upon such acceptance and consent of surety, if any, the Owner shall make payment of retainage applying to such Work or designated portion thereof. Such payment shall be adjusted for Work that is incomplete or not in accordance with the requirements of the Contract Documents.

§ 9.8.6 In order for the project or a major portion thereof to be considered substantially complete, the following conditions must be met: (1) All inspections by governmental authorities have jurisdiction over the project must have been finalized, any remedial work required by those authorities must have been completed, and Certificates of Occupancy and similar governmental approval forms must have been issued and copies delivered to the Owner and Architect. (2) All work, both interior and exterior, shall have been completed and cleaned except minor items which if completed after occupancy, will not, in the Owner's opinion, cause interference to the Owner's use of the building or any portion thereof. A significantly large number of items to be completed or corrected will preclude the Architect from issuing a Certificate of Substantial Completion. The Owner and Architect will be the sole judge of what constitutes a significantly large number of items.

§ 9.8.7 After the date of Substantial Completion of the Project is evidenced by the Certificate of Substantial Completion, the Contractor will be allowed a period of thirty (30) days, unless extended by mutual agreement or provision of the Contract, within which to correct all deficiencies attached to the Certificate of Substantial Completion. Failure of the Contractor to complete such corrections within the stipulated time will be reported to the Contractor's surety. In this report, the Contractor and surety will be informed that, should correction remain incomplete for fifteen (15) days, the Owner may initiate action to complete corrective work out of the remaining Contract funds in accordance with Article 14.

§ 9.9 PARTIAL OCCUPANCY OR USE

§ 9.9.1 The Owner may occupy or use any portion of the Work authorized by public authorities having jurisdiction over the Project. Such partial occupancy or use may commence whether or not the portion is substantially complete, provided the Owner and Contractor have accepted in writing the responsibilities assigned to each of them for payments, retainage, if any, security, maintenance, heat, utilities, damage to the Work and insurance, and have agreed in writing concerning the period for correction of the Work and commencement of warranties required by the Contract Documents. When the Contractor considers a portion substantially complete, the Contractor shall prepare and submit a list to the Architect as provided under Section 9.8.2. Consent of the Contractor to partial occupancy or use shall not be unreasonably withheld. The stage of the progress of the Work shall be determined by written agreement between the Owner and Contractor or, if no agreement is reached, by decision of the Architect.

§ 9.9.2 Immediately prior to such partial occupancy or use, the Owner, Contractor and Architect shall jointly inspect the area to be occupied or portion of the Work to be used in order to determine and record the condition of the Work.

§ 9.9.3 Unless otherwise agreed upon, partial occupancy or use of a portion or portions of the Work shall not constitute acceptance of Work not complying with the requirements of the Contract Documents.

§ 9.10 FINAL COMPLETION AND FINAL PAYMENT

§ 9.10.1 Upon receipt of the Contractor's written notice that the Work is ready for final inspection and acceptance and upon receipt of a final Application for Payment, the Architect will promptly make such inspection and, when the Architect finds the Work acceptable under the Contract Documents and the Contract fully performed, the Architect will promptly issue a final Certificate for Payment stating that to the best of the Architect's knowledge, information and belief, and on the basis of the Architect's on-site visits and inspections, the Work has been completed in accordance with terms and conditions of the Contract Documents and that the entire balance found to be due the Contractor and noted in the final Certificate is due and payable. The Architect's final Certificate for Payment will constitute a further representation that conditions listed in Section 9.10.2 as precedent to the Contractor's being entitled to final payment have been fulfilled.

§ 9.10.2 Neither final payment nor any remaining retained percentage shall become due until the Contractor submits to the Architect (1) an affidavit that payrolls, bills for materials and equipment, and other indebtedness connected with the Work for which the Owner or the Owner's property might be responsible or encumbered (less amounts withheld by Owner) have been paid or otherwise satisfied, (2) a certificate evidencing that insurance required by the Contract Documents to remain in force after final payment is currently in effect and will not be canceled or allowed to expire until at least 30 days' prior written notice has been given to the Owner, (3) a written statement that the Contractor knows of no substantial reason that the insurance will not be renewable to cover the period required by the Contract Documents, (4) consent of surety, if any, to final payment and (5), if required by the Owner, other data establishing payment or satisfaction of obligations, such as receipts, releases and waivers of liens, claims, security interests or encumbrances arising out of the Contract, to the extent and in such form as may be designated by the Owner. If a Subcontractor refuses to furnish a release or waiver required by the Owner, the Contractor may furnish a bond satisfactory to the Owner to indemnify the Owner against such lien. If such lien remains unsatisfied after payments are made, the Contractor shall refund to the Owner all money that the Owner may be compelled to pay in discharging such lien, including all costs and reasonable attorneys' fees.

§ 9.10.3 If, after Substantial Completion of the Work, final completion thereof is materially delayed through no fault of the Contractor or by issuance of Change Orders affecting final completion, and the Architect so confirms, the Owner shall, upon application by the Contractor and certification by the Architect, and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed and accepted. If the remaining balance for Work not fully completed or corrected is less than retainage stipulated in the Contract Documents, and if bonds have been furnished, the written consent of surety to payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by the Contractor to the Architect prior to certification of such payment. Such payment shall be made under terms and conditions governing final payment, except that it shall not constitute a waiver of claims.

§ 9.10.4 The making of final payment shall constitute a waiver of Claims by the Owner except those arising from

- .1 liens, Claims, security interests or encumbrances arising out of the Contract and unsettled;
- .2 failure of the Work to comply with the requirements of the Contract Documents;
- .3 terms of special warranties required by the Contract Documents; or
- .4 faulty or defective Work appearing after Substantial Completion.

§ 9.10.5 Acceptance of final payment by the Contractor, a Subcontractor or material supplier shall constitute a waiver of claims by that payee except those previously made in writing and identified by that payee as unsettled at the time of final Application for Payment.

ARTICLE 10 PROTECTION OF PERSONS AND PROPERTY

§ 10.1 SAFETY PRECAUTIONS AND PROGRAMS

The Contractor shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the Contract.

§ 10.2 SAFETY OF PERSONS AND PROPERTY

§ 10.2.1 The Contractor shall take reasonable precautions for safety of, and shall provide reasonable protection to prevent damage, injury or loss to

- .1 employees on the Work and other persons who may be affected thereby;
- .2 the Work and materials and equipment to be incorporated therein, whether in storage on or off the site, under care, custody or control of the Contractor or the Contractor's Subcontractors or Sub-subcontractors; and
- .3 other property at the site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, structures and utilities not designated for removal, relocation or replacement in the course of construction.

§ 10.2.2 The Contractor shall comply with and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities bearing on safety of persons or property or their protection from damage, injury or loss.

§ 10.2.3 The Contractor shall erect and maintain, as required by existing conditions and performance of the Contract, reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent sites and utilities. The Contractor shall also be responsible, at the Contractor's sole cost and expense, for all measures necessary to protect any property adjacent to the project and improvements therein. Any damage to such property or improvements shall be promptly repaired by the Contractor.

§ 10.2.4 When use or storage of explosives or other hazardous materials or equipment or unusual methods are necessary for execution of the Work, the Contractor shall exercise utmost care and carry on such activities under supervision of properly qualified personnel.

§ 10.2.5 The Contractor shall promptly remedy damage and loss (other than damage or loss insured under property insurance required by the Contract Documents) to property referred to in Sections 10.2.1.2 and 10.2.1.3 caused in whole or in part by the Contractor, a Subcontractor, a Sub-subcontractor, or anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable and for which the Contractor is responsible under Sections 10.2.1.2 and 10.2.1.3, except damage or loss attributable to acts or omissions of the Owner or Architect or anyone directly or indirectly employed by either of them, or by anyone for whose acts either of them may be liable, and not attributable to the fault or negligence of the Contractor. The foregoing obligations of the Contractor are in addition to the Contractor's obligations under Section 3.18.

§ 10.2.6 The Contractor shall designate a responsible member of the Contractor's organization at the site whose duty shall be the prevention of accidents. This person shall be the Contractor's superintendent unless otherwise designated by the Contractor in writing to the Owner and Architect.

§ 10.2.7 The Contractor shall not permit any part of the construction or site to be loaded so as to cause damage or create an unsafe condition.

§ 10.2.8 INJURY OR DAMAGE TO PERSON OR PROPERTY

If either party suffers injury or damage to person or property because of an act or omission of the other party, or of others for whose acts such party is legally responsible, written notice of such injury or damage, whether or not insured, shall be given to the other party within a reasonable time not exceeding 21 days after discovery. The notice shall provide sufficient detail to enable the other party to investigate the matter.

§ 10.3 HAZARDOUS MATERIALS

§ 10.3.1 The Contractor is responsible for compliance with any requirements included in the Contract Documents regarding hazardous materials. If the Contractor encounters a hazardous material or substance not addressed in the Contract Documents and if reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a material or substance, including but not limited to asbestos or polychlorinated biphenyl (PCB), encountered on the site by the Contractor, the Contractor shall, upon recognizing the condition, immediately stop Work in the affected area and report the condition to the Owner and Architect in writing.

§ 10.3.2 Upon receipt of the Contractor's written notice, the Owner shall obtain the services of a licensed laboratory to verify the presence or absence of the material or substance reported by the Contractor and, in the event such material or substance is found to be present, to cause it to be rendered harmless. Unless otherwise required by the Contract Documents, the Owner shall furnish in writing to the Contractor and Architect the names and qualifications of persons

or entities who are to perform tests verifying the presence or absence of such material or substance or who are to perform the task of removal or safe containment of such material or substance. The Contractor and the Architect will promptly reply to the Owner in writing stating whether or not either has reasonable objection to the persons or entities proposed by the Owner. If either the Contractor or Architect has an objection to a person or entity proposed by the Owner, the Owner shall propose another to whom the Contractor and the Architect have no reasonable objection. When the material or substance has been rendered harmless, Work in the affected area shall resume upon written agreement of the Owner and Contractor. By Change Order, the Contract Time shall be extended appropriately and the Contract Sum shall be increased in the amount of the Contractor's reasonable additional costs of shut-down, delay and start-up.

§ 10.3.3 DELETED.

§ 10.3.4 The Owner shall not be responsible under this Section 10.3 for materials or substances the Contractor brings to the site unless such materials or substances are required by the Contract Documents.

§ 10.3.5 The Contractor shall indemnify the Owner for the cost and expense the Owner incurs (1) for remediation of a material or substance the Contractor brings to the site and negligently handles, or (2) where the Contractor fails to perform its obligations under Section 10.3.1, except to the extent that the cost and expense are due to the Owner's fault or negligence.

§ 10.3.6 DELETED.

§ 10.4 EMERGENCIES

In an emergency affecting safety of persons or property, the Contractor shall act, at the Contractor's discretion, to prevent threatened damage, injury or loss. Additional compensation or extension of time claimed by the Contractor on account of an emergency shall be determined as provided in Article 15 and Article 7.

ARTICLE 11 INSURANCE AND BONDS

§ 11.1 CONTRACTOR'S LIABILITY INSURANCE

§ 11.1.1 The Contractor shall purchase from and maintain in a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located such insurance as will protect the Contractor and Owner from claims set forth below which may arise out of or result from the Contractor's operations and completed operations under the Contract and for which the Contractor may be legally liable, whether such operations be by the Contractor or by a Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- .1 Claims under workers' compensation, disability benefit and other similar employee benefit acts that are applicable to the Work to be performed;
- .2 Claims for damages because of bodily injury, occupational sickness or disease, or death of the Contractor's employees;
- .3 Claims for damages because of bodily injury, sickness or disease, or death of any person other than the Contractor's employees;
- .4 Claims for damages insured by usual personal injury liability coverage;
- .5 Claims for damages, other than to the Work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom;
- .6 Claims for damages because of bodily injury, death of a person or property damage arising out of ownership, maintenance or use of a motor vehicle;
- .7 Claims for bodily injury or property damage arising out of completed operations; and
- .8 Claims involving contractual liability insurance applicable to the Contractor's obligations under Section 3.18.

§ 11.1.2 The insurance required by Section 11.1.1 shall be written for not less than limits of liability specified in the Contract Documents or required by law, whichever coverage is greater. Coverages, whether written on an occurrence or claims-made basis, shall be maintained without interruption from the date of commencement of the Work until the date of final payment and termination of any coverage required to be maintained after final payment, and, with respect to the Contractor's completed operations coverage, until the expiration of the period for correction of Work or for such other period for maintenance of completed operations coverage as specified in the Contract Documents.

§ 11.1.3 Certificates of insurance acceptable to the Owner shall be filed with the Owner prior to commencement of the Work and thereafter upon renewal or replacement of each required policy of insurance. These certificates and the insurance policies required by this Section 11.1 shall contain a provision that coverages afforded under the policies will not be canceled or allowed to expire until at least 30 days' prior written notice has been given to the Owner. An additional certificate evidencing continuation of liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment as required by Section 9.10.2 and thereafter upon renewal or replacement of such coverage until the expiration of the time required by Section 11.1.2. Information concerning reduction of coverage on account of revised limits or claims paid under the General Aggregate, or both, shall be furnished by the Contractor with reasonable promptness.

§ 11.1.4 The Contractor shall cause the commercial liability coverage required by the Contract Documents to include (1) the Owner, the Architect and the Architect's consultants as additional insureds for claims caused in whole or in part by the Contractor's negligent acts or omissions during the Contractor's operations; and (2) the Owner as an additional insured for claims caused in whole or in part by the Contractor's negligent acts or omissions during the Contractor's completed operations.

§ 11.1.5 SCHEDULE OF INSURANCE COVERAGES

§ 11.1.5.1 Contractor shall carry and keep in full force for the duration of the project the following Coverage.

Coverage	Minimum Amounts and Limits
Worker's Compensation	
Employer's Liability:	Statutory Limits
Bodily Injury by Accident	\$500,000.00/each accident
Bodily Injury by Disease	\$500,000.00/each employee
Bodily Injury by Disease	\$500,000.00/Policy Limit
Commercial General Liability	
Bodily Injury/Property Damage	\$1,000,000.00 per occurrence \$2,000,000.00 aggregate

(Premises Operations, Independent Contractors, Product/Completed Operations, Personal Injury, Contractual Liability, Explosion, Collapse, Underground and Broad Form Property Damage).

Comprehensive Automobile Liability \$1,000,000.00 Combined Single
Limit per Occurrence

Auto liability insurance shall be on a standard form written to cover all owned, hired, and non-owned automobiles. The policy shall be endorsed to include the Indemnified Parties (Section 3.18) as additional insured, contain cross-liability and severability of interest endorsements, and state that this insurance is primary insurance as regards to any other insurance carried by the Indemnified Parties (see Section 3.18).

§11.1.5.2 All policies shall contain special endorsements to include:

1. The Owner as an additional insured (except for Worker's Compensation) and all other parties identified in Section 3.18 (Indemnified Parties);
2. Waiver of Subrogation in favor of Owner under the Worker's Compensation and Employer's Liability policies.
3. A statement that a notice shall be given to Owner by certified mail thirty (30) days prior to cancellation or upon any material changes in coverage.
4. Contain cross-liability and severability of interest endorsements;
5. state that this insurance is primary insurance in regard to any other insurance carried by an Indemnified Party (see Section 3.18);

.6 the following coverage:

- a. Premises/Operations;
- b. Independent Contractors;
- c. Completed Operations for a period of two years following the acceptance of Contractor's Work;
- d. Comprehensive General Liability Endorsement to include Blanket Contractual Liability (specifically covering, but not limited to, the contractual obligations assumed by Contractor, Broad Form Property Damage, and Personal Injury Liability with employee and contractual exclusions removed);
- e. Deletion of exclusions relative to Collapse, Explosion, and Underground Property Damage Hazards;
- f. Personal Injury Liability with the contractual exclusions removed;
- g. Cross Liability Endorsement.

§11.1.5.6 Umbrella Excess Liability Insurance

Bodily Injury and	\$2,000,000.00 per occurrence
Property Damage	\$2,000,000.00 aggregate

This policy shall be written on an umbrella excess basis above, the coverage described in this Article 11. The policy shall be endorsed to include the Indemnified Parties (Section 3.18) as additional insureds. The policy shall contain cross-liability and severability of interest endorsements and shall state, as regard the Indemnified Parties that the insurance is primary insurance as to any other insurance carried by any Indemnified Party. The policy shall be endorsed to provide the defense coverage obligation.

§11.1.6 Further, Contractor shall require all Subcontractors to carry similar insurance coverage and limits of liability as required under this Article 11, adjusted to the nature of Subcontractor's operations and submit same to Owner for approval before any Work commences.

§11.1.7 In the event Contractor fails to obtain the required certificates of insurance from the Subcontractor and a claim is made or suffered, Contractor shall indemnify, defend, and hold harmless the indemnified parties from any and all claims for which the required insurance would have provided coverage.

§11.1.8 Workers' Compensation Insurance Coverage.

§11.1.8.1 Definitions:

- .1 Certificate of coverage ("certificate") - A copy of a certificate of insurance, a certificate of authority to self-insure issued by the commission, or a coverage agreement (TWCC-81, TWCC-82, TWCC-83, or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.
- .2 Duration of the project - includes the time from the beginning of the work on the project until the contractor's/person's work on the project has been completed and accepted by the governmental entity.
- .3 Persons providing services on the project ("subcontractor" in §406.096) - includes all persons or entities performing all or part of the services the contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the contractor and regardless of whether that person has employees. This includes, without limitation, independent contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage vendors, office supply deliveries, and delivery of portable toilets.

§11.1.8.2 The contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all employees of the contractor providing services on the project, for the duration of the project.

§11.1.8.3 The Contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.

§11.1.8.4 If the coverage period shown on the contractor's current certificate of coverage ends during the duration of the project, the contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.

§11.1.8.5 The contractor shall obtain from each person providing services on a project, and provide to the governmental entity:

- .1 a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and
- .2 no later than seven days after receipt by the contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.

§11.1.8.6 The contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.

§11.1.8.7 The contractor shall notify the governmental entity in writing by certified mail or personal delivery, within 10 days after the contractor knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project.

§11.1.8.8 The contractor shall post on each project site a notice, in the text, form and manner prescribed by the Texas Workers' Compensation Commission, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.

§11.1.8.9 The contractor shall contractually require each person with whom it contracts to provide services on a project, to:

- .1 provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;
- .2 provide to the contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;
- .3 provide the contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
- .4 obtain from each other person with whom it contracts, and provide to the contractor:
 - (a) a certificate of coverage, prior to the other person beginning work on the project; and
 - (b) a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;

- .5 retain all required certificates of coverage on file for the duration of the project and for one year thereafter;
- .6 notify the governmental entity in writing by certified mail or personal delivery, within 10 days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and
- .7 contractually require each person with whom it contracts, to perform as required by paragraphs .1 - .7, with the certificates of coverage to be provided to the person for whom they are providing services.

§11.1.8.10 By signing this contract or providing or causing to be provided a certificate of coverage, the contractor is representing to the governmental entity that all employees of the contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.

§11.1.8.11 The contractor's failure to comply with any of these provisions is a breach of contract by the contractor which entitles the governmental entity to declare the contract void if the contractor does not remedy the breach within ten days after receipt of notice of breach from the governmental entity.

§ 11.2 OWNER'S LIABILITY INSURANCE

The Owner shall be responsible for purchasing and maintaining the Owner's usual liability insurance.

§ 11.2.1 By signing the Contract or providing or causing to be provided a Certificate of Coverage, the Contractor is representing to the Owner that all employees of the Contractor who will provide services on the Project will be covered by workers' compensation coverage for the duration of the Project, that coverage will be based on proper reporting or classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the Contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.

§11.2.2 Optionally, the Owner may require the Contractor to purchase and maintain Project Management Protective Liability insurance from the Contractor's usual sources as primary coverage for the Owner's, Contractor's and Architect's vicarious liability for construction operations under the contract. Unless otherwise required by the Contract Documents, the Owner shall reimburse the Contractor by increasing the Contract Sum to pay the cost of purchasing and maintaining such optional insurance coverage and the Contractor shall not be responsible for purchasing any other liability insurance on behalf of the Owner. The minimum limits of liability purchased with such coverage shall be equal to the aggregate of the limits required for Contractor's Liability Insurance under Article 11.

§ 11.3 PROPERTY INSURANCE

§ 11.3.1 Contractor shall obtain a builder's risk "all-risk" or equivalent policy in the amount of the initial Contract Sum (or if applicable Guaranteed Maximum Price), plus value of subsequent Contract modifications and cost of materials supplied or installed by others, comprising total value for the entire Project at the site on a replacement cost basis without optional deductibles. The policy must also name its subcontractors and the Owner as additional insured, as their respective interests may appear. Coverage shall include material stored on-site and in transit. Such insurance will be with a company or companies lawfully authorized to do business in Texas. The policy must have the following endorsement: "This insurance shall be specific as to coverage and not considered as contributing insurance with any permanent insurance maintained on the present premises."

§ 11.3.1.1 Property insurance shall be on an "all-risk" or equivalent policy form and shall include, without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework,

testing and startup, temporary buildings and debris removal including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for Architect's and Contractor's services and expenses required as a result of such insured loss.

§ 11.3.1.1.1 For any claim made against Contractor's Builder's Risk Insurance, the deductible shall not exceed \$2,500.00 for a Contract Sum of less than \$4 million. For a Contract Sum of \$4 million or more, the deductible shall not exceed \$5,000.00.

§ 11.3.1.1.2 The Contractor waives all rights against (1) Owner, the Subcontractors, Sub-subcontractors, agents, and employees, and (2) the Architect, Architect's consultants, separate contractors, if any, and any of their Subcontractors, Sub-subcontractors, agents, and employees, for damages caused by fire or other perils to the extent covered by property insurance obtained pursuant to this Section or other property insurance applicable to the Work, except such rights as Contractor has to proceeds of such insurance held by the Contractor as a fiduciary. The Contractor, as appropriate, shall require of any separate contractors, Subcontractors, Sub-subcontractors, agents, and employees of any of them by appropriate written agreements, similar waivers each in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

§ 11.3.1.1.3 The Contractor as fiduciary shall have power to adjust and settle a loss with insurers. The Contractor shall pay all Subcontractors their just shares of insurance proceeds received by the Contractor, and by appropriate agreements shall require Subcontractors to make payment to their Sub-subcontractors in similar manner. If required in writing by a party in interest, the Contractor as fiduciary shall, upon occurrence of insured loss, give bond for proper performance of the Contractor's duties. The cost of required bonds shall be charged against proceeds received as fiduciary. The Contractor shall deposit in a separate account proceeds so received, which the Contractor shall distribute in accordance with such agreement as the parties in interest may reach. If after such loss no other special agreement is made and unless the Owner terminates the Contract for convenience, replacement of damaged property shall be performed by the Contractor under the insurance proceeds.

§ 11.3.1.2 DELETED.

§ 11.3.1.3 DELETED.

§ 11.3.1.4 This property insurance shall cover portions of the Work stored off the site, and also portions of the Work in transit.

§ 11.3.1.5 Partial occupancy or use shall not affect the validity or coverage of property insurance.

§ 11.3.2 BOILER AND MACHINERY INSURANCE DELETED.

§ 11.3.3 LOSS OF USE INSURANCE DELETED.

§ 11.3.4 DELETED.

§ 11.3.5 DELETED.

§ 11.3.6 DELETED.

§ 11.3.7 WAIVERS OF SUBROGATION

Contractor waives all rights against (1) Owner, the Subcontractors, Sub-subcontractors, agents and employees, and (2) the Architect, Architect's consultants, separate contractors if any, and any of their Subcontractors, Sub-subcontractors, agents and employees, for damages caused by fire or other perils to the extent covered by property insurance obtained pursuant to this Article 11 or other property insurance applicable to the Work, except such rights as Contractor has to proceeds of such insurance held by the Contractor as fiduciary. The Contractor, as appropriate, shall require of any separate contractors, Subcontractors, Sub-subcontractors, agents and employees of any of them, by appropriate

written agreements, similar waivers each in favor of other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

§ 11.3.8 A loss insured under the Owner's property insurance shall be adjusted by the Owner as fiduciary and made payable to the Owner as fiduciary for the insureds, as their interests may appear, subject to requirements of any applicable mortgagee clause and of Section 11.3.10. The Contractor shall pay Subcontractors their just shares of insurance proceeds received by the Contractor, and by appropriate agreements, written where legally required for validity, shall require Subcontractors to make payments to their Sub-subcontractors in similar manner.

§ 11.3.9 DELETED.

§ 11.3.10 The Owner as fiduciary shall have power to adjust and settle a loss with insurers.

§ 11.4 PERFORMANCE BOND AND PAYMENT BOND

§ 11.4.1 The Contractor shall furnish a Performance Bond in an amount equal to one hundred percent (100%) of the Contract Sum, as security for the faithful performance of the Contract and also a one hundred percent (100%) Payment Bond, as security for the payment of all persons performing labor on the Project under this Contract and furnishing materials in connection with the Contract. The Performance Bond and the Payment Bond may be in one or in separate instruments in accordance with local law. Surety companies must be authorized to write surety bonds in Texas and any such surety bond must comply with the requirements of Subchapter A of Chapter 3503 of the Texas Insurance Code.

§11.4.1.1 The Contractor shall deliver the required Bonds to the Owner not later than the date of the preconstruction meeting. All Bonds will be reviewed by the Architect for compliance with the Contract Documents prior to the execution of the Contract. In the event that Architect has any questions concerning the sufficiency of the bonds, Architect shall refer the bonds to Owner or Owner's representative for decision.

§11.4.1.2 All bonds shall be originals. The Contractor shall require the attorney-in-fact who executes the required Bonds on behalf of the Surety to affix thereto a certified and current copy of the power-of-attorney. The name, address, and telephone number of a contact person for the Bonding Company shall be provided.

§ 11.4.2 Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

§ 11.4.3 The Bonds shall be provided to comply with the terms and provisions of Chapter 2253 of the Texas Government Code. Bonds shall be signed by an agent resident in the State of Texas and date of bond shall be on or after the date of execution of the Contract but prior to the date of the notice to proceed. If at any time during the continuance of the Contract, the surety of the Contractor's bonds becomes insufficient, the Owner shall have the right to require additional and sufficient sureties which the Contractor shall furnish to the satisfaction of the Owner within ten (10) days after notice to do so. In default thereof, the Contractor may be suspended, and all payment or money due to the Contractor withheld until sufficient bonds are provided by Contractor.

ARTICLE 12 UNCOVERING AND CORRECTION OF WORK

§ 12.1 UNCOVERING OF WORK

§ 12.1.1 If a portion of the Work is covered contrary to the Architect's request or to requirements specifically expressed in the Contract Documents, it must, if requested in writing by the Architect, be uncovered for the Architect's examination and be replaced at the Contractor's expense without change in the Contract Time or Contract Sum.

§ 12.1.2 If a portion of the Work has been covered that the Architect has not specifically requested to examine prior to its being covered, the Architect may request to see such Work and it shall be uncovered by the Contractor. If such Work is in accordance with the Contract Documents, costs of uncovering and replacement shall, by appropriate Change Order, be at the Owner's expense. If such Work is not in accordance with the Contract Documents, such costs

and the cost of correction shall be at the Contractor's expense unless the condition was caused by the Owner or a separate contractor in which event the Owner shall be responsible for payment of such costs.

§ 12.2 CORRECTION OF WORK

§ 12.2.1 BEFORE OR AFTER SUBSTANTIAL COMPLETION

The Contractor shall promptly correct Work rejected by the Architect as incomplete, defective, or failing to conform to the requirements of the Contract Documents, whether discovered before or after Substantial Completion and whether or not fabricated, installed or completed. Costs of correcting such rejected Work, including additional testing and inspections, the cost of uncovering and replacement, and compensation for the Architect's services and expenses made necessary thereby, shall be at the Contractor's expense.

§ 12.2.2 AFTER SUBSTANTIAL COMPLETION

§ 12.2.2.1 In addition to the Contractor's obligations under Section 3.5, if, within one year after the date of Substantial Completion of the entire Work (unless otherwise provided in any Certificate of Partial Substantial Completion approved by the parties), or within such longer period of time as may be prescribed by law or in equity, or by terms of an applicable special warranty required by the Contract Documents, any of the Work is found to be defective or otherwise not in accordance with the requirements of the Contract Documents, the Contractor shall correct it promptly after receipt of written notice from the Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition. This corrective period shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual performance of the Work. Corrective Work shall be warranted to be free from defects for a period equal to the longer of six (6) months after the completion of the corrective Work or one (1) year after the Date of Substantial Completion (subject to extension as previously described) or such longer period of time as may be prescribed by law or in equity, or expiration of the term of any applicable special warranty, if applicable, required by the Contract Documents. Any defect in such Work shall be corrected again by Contractor promptly upon notice of the defect from Owner. This obligation under this Section 12.2.2.1 shall survive acceptance of the Work under the Contract and termination of the Contract by the Owner. If the Contractor fails to correct nonconforming Work within a reasonable time during that period after receipt of notice from the Owner or Architect, the Owner may correct it in accordance with Section 2.4.

§ 12.2.2.2 The one-year period for correction of Work shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual completion of that portion of the Work.

§ 12.2.2.3 The one-year period for correction of Work shall not be extended by corrective Work performed by the Contractor pursuant to this Section 12.2.

§ 12.2.2.4 Just before the termination of the various guarantee periods, Contractor shall accompany Owner's agent and Architect on an inspection tour of the building and shall note any defects and shall start remedying these defects within ten (10) days of the inspection tour and shall prosecute the Work without interruption until accepted by Owner and Architect, even though such prosecution should extend beyond the limit of the guarantee period.

§ 12.2.3 The Contractor shall remove from the site portions of the Work that are not in accordance with the requirements of the Contract Documents and are neither corrected by the Contractor nor accepted by the Owner.

§ 12.2.4 The Contractor shall bear the cost of correcting destroyed or damaged construction, whether completed or partially completed, of the Owner or separate contractors caused in whole or in part by the Contractor's correction or removal of Work that is defective or otherwise not in accordance with the requirements of the Contract Documents.

§ 12.2.5 Nothing contained in this Section 12.2 shall be construed to establish a period of limitation with respect to other obligations the Contractor has under the Contract Documents or under law or in equity. Establishment of the one-year period for correction of Work as described in Section 12.2.2 relates only to the specific obligation of the Contractor to correct the Work, and has no relationship to the time within which the obligation to comply with the Contract Documents may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Contractor's liability with respect to the Contractor's obligations other than specifically to correct the Work.

§ 12.3 ACCEPTANCE OF NONCONFORMING WORK

If the Owner prefers to accept Work that is defective or otherwise not in accordance with the requirements of the Contract Documents, the Owner may do so instead of requiring its removal and correction, in which case the Contract Sum will be reduced as appropriate and equitable. Such adjustment shall be effected whether or not final payment has been made.

ARTICLE 13 MISCELLANEOUS PROVISIONS

§ 13.1 GOVERNING LAW

The Contract shall be governed by the law of the place where the Project is located.

§ 13.2 SUCCESSORS AND ASSIGNS

§ 13.2.1 The Owner and Contractor respectively bind themselves, their partners, successors, assigns and legal representatives to covenants, agreements and obligations contained in the Contract Documents. Except as provided in Section 13.2.2, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make such an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 13.2.2 The Owner may, without consent of the Contractor, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner's rights and obligations under the Contract Documents. The Contractor shall execute all consents reasonably required to facilitate such assignment.

§ 13.3 WRITTEN NOTICE

§ 13.3.1 Written notice shall be deemed to have been duly served if delivered in person to the individual, to a member of the firm or entity, or to an officer of the corporation for which it was intended; or if delivered at, or sent by registered or certified mail or by courier service providing proof of delivery to, the last business address known to the party giving notice or if delivered by facsimile to the offices of the person or corporation for which it was intended. Facsimiles received after 5:00 p.m. on a business day, or on a weekend or legal holiday on which the recipient's offices are closed, notice shall be deemed to have been duly served on the next business day.

§ 13.4 RIGHTS AND REMEDIES

§ 13.4.1 Duties and obligations imposed by the Contract Documents and rights and remedies available thereunder shall be in addition to and not a limitation of duties, obligations, rights and remedies otherwise imposed or available by law or in equity or by any other agreement, and any such rights and remedies shall survive the acceptance of the Work and/or any termination of the Contract Documents.

§ 13.4.2 No action or failure to act by the Owner, Architect or Contractor shall constitute a waiver of a right or duty afforded them under the Contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach there under, except as may be specifically agreed in writing.

§ 13.5 TESTS AND INSPECTIONS

§ 13.5.1 Tests, inspections and approvals of portions of the Work shall be made as required by the Contract Documents and by applicable laws, statutes, ordinances, codes, rules and regulations or lawful orders of public authorities. Unless otherwise provided, the Contractor shall make arrangements for such tests, inspections and approvals with an independent testing laboratory or entity acceptable to the Owner, or with the appropriate public authority, and shall bear all related costs of tests, inspections and approvals. The Contractor shall give the Architect timely notice of when and where tests and inspections are to be made so that the Architect may be present for such procedures. Architect, Owner and Contractor shall be afforded a reasonable opportunity to attend, observe, and witness all inspections and tests of the Work. Architect or Owner may at any time request and receive from Contractor satisfactory evidence that materials, supplies, or equipment are in conformance with the Contract Documents. The conduct of any inspection or test and the receipt of any approval shall not operate to relieve Contractor from its obligations under the Contract Documents unless specifically so stated by Owner in writing.

§ 13.5.2 If the Architect, Owner or public authorities having jurisdiction determine that portions of the Work require additional testing, inspection or approval not included under Section 13.5.1, the Architect will, upon written authorization from the Owner, instruct the Contractor to make arrangements for such additional testing, inspection or approval by an entity acceptable to the Owner, and the Contractor shall give timely notice to the Architect of when and where tests and inspections are to be made so that the Architect may be present for such procedures.

§ 13.5.3 If such procedures for testing, inspection or approval under Sections 13.5.1 and 13.5.2 reveal failure of the portions of the Work to comply with requirements established by the Contract Documents, or reveal faulty or otherwise defective Work, or if the necessity of any such testing, inspection, or approval procedures arises out of the fault, neglect, or omission of Contractor, Contractor shall bear all costs of such testing, inspection, and approval procedures and all other costs made necessary by Contractor's failures, including, without limitation, those costs of repeated and additional procedures and compensation for Architect's services and expenses of Owner's personnel and consultant fees and expenses. Such costs shall be paid by Contractor within ten (10) days of receipt of invoice from Owner with supporting data attached.

§ 13.5.4 Required certificates of testing, inspection or approval shall, be secured by the Contractor and delivered to the Owner, unless such testing or inspection services are arranged by Owner.

§ 13.5.5 If the Architect is to observe tests, inspections or approvals required by the Contract Documents, the Architect will do so promptly and, where practicable, at the normal place of testing.

§ 13.5.6 Tests or inspections conducted pursuant to the Contract Documents shall be made promptly to avoid unreasonable delay in the Work.

§ 13.6 INTEREST

An overdue payment bears interest at the legal rate established by the Texas Government Code, currently in Section 2251.025, or in the event no rate is so established, at the rate of one percent (1%) each month. Any such payment shall be deemed overdue on the thirty-first (31st) day after Owner receives an invoice from Contractor.

§ 13.7 TIME LIMITS ON CLAIMS

The Owner and Contractor shall commence all claims and causes of action, whether in contract, tort, breach of warranty or otherwise, against the other arising out of or related to the Contract within the time period specified by applicable law.

§ 13.8.1 The Contractor shall maintain policies of employment as follows: "The Contractor and the Contractor's Subcontractors shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, or national origin. Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, religion, color, sex, or national origin. Such action shall include, but not be limited to, the following: employment, promotion, demotion, or transfer; recruitment, or recruitment advertising; lay-off or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants, notices setting forth the nondiscrimination policies."

§13.8.1.1 The Contractor and the Contractor's Subcontractors shall, in all solicitations or advertisements for employees placed by them or on their behalf; state that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, or national origin.

§13.9 CERTIFICATION OF ASBESTOS-FREE PROJECT

§13.9.1 Contractor shall submit to the Architect a letter addressed to the Owner certifying that all materials used in the construction of this Project contain less than 0.10 by weight of asbestos and for which it can be demonstrated that, under reasonably foreseeable job site conditions, will not release asbestos fibers in excess of 0.1 fibers per cubic centimeter. Certification letters shall be dated, shall reference this specific Project, and shall be signed by not less than two (2) officers of the construction company.

§13.9.2 Certification shall further state that should asbestos fibers be found at this Project in concentrations greater than 0.1 fibers per cubic centimeter, that Contractor shall be responsible for determining which materials contain asbestos fibers and shall take corrective action to remove those materials from the Project at no additional cost to the Owner.

§13.9.3 Final payment shall not be made until this letter of certification has been received.

ARTICLE 14 TERMINATION OR SUSPENSION OF THE CONTRACT

§ 14.1 TERMINATION BY THE CONTRACTOR

§ 14.1.1 The Contractor may terminate the Contract if the Work is stopped for a period of sixty (60) consecutive days through no act or fault of the Contractor or a Subcontractor, Sub-subcontractor or their agents or employees or any other persons or entities performing portions of the Work under direct or indirect contract with the Contractor, for any of the following reasons:

- .1 Issuance of an order of a court or other public authority having jurisdiction that requires all Work to be stopped; or
- .2 An act of government, such as a declaration of national emergency that requires all Work to be

(Paragraphs deleted)
stopped.

§ 14.1.2 The Contractor may terminate the Contract if, through no act or fault of the Contractor or a Subcontractor, Sub-subcontractor or their agents or employees or any other persons or entities performing portions of the Work under direct or indirect contract with the Contractor, repeated suspensions, delays or interruptions of the entire Work by the Owner as described in Section 14.3 constitute in the aggregate more than 100 percent of the total number of days scheduled for completion, or 120 days in any 365-day period, whichever is less.

§ 14.1.3 If one of the reasons described in Section 14.1.1 or 14.1.2 exists, the Contractor may, upon fourteen (14) days' written notice to the Owner and Architect, terminate the Contract and recover from the Owner payment for Work properly executed in accordance with the Contract Documents.

§ 14.1.4 Owner shall not be responsible for damages for loss of anticipated profits on Work not performed on account of any termination described in Sections 14.1.1 and 14.1.2.

§ 14.2 TERMINATION BY THE OWNER FOR CAUSE

§ 14.2.1 The Owner may terminate the Contract if the Contractor

- .1 refuses or fails to supply enough properly skilled workers or proper materials and equipment;
- .2 fails to make payment to Subcontractors for materials or labor in accordance with the respective agreements between the Contractor and the Subcontractors;
- .3 disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority;
- .4 disregards the instructions of Architect or Owner (when such instructions are based on the requirements of the Contract Documents);
- .5 is adjudged bankrupt or insolvent, or makes a general assignment for the benefit of Contractor's creditors, or a trustee or receiver is appointed for Contractor or for any of its property, or files a petition to take advantage of any debtor's act, or to reorganize under bankruptcy or similar law; or
- .6 otherwise does not fully comply with the Contract Documents.

§ 14.2.2 When any of the above reasons exist, the Owner, may without prejudice to any other rights or remedies of the Owner and after giving the Contractor and the Contractor's surety, if any, seven days' written notice, terminate employment of the Contractor and may, subject to any prior rights of the surety:

- .1 Exclude the Contractor from the site and take possession of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Contractor;
- .2 Accept assignment of subcontracts pursuant to Section 5.4; and
- .3 Finish the Work by whatever reasonable method the Owner may deem expedient. Upon written request of the Contractor, the Owner shall furnish to the Contractor a detailed accounting of the costs incurred by the Owner in finishing the Work.

§ 14.2.3 When the Owner terminates the Contract for one of the reasons stated in Section 14.2.1, the Contractor shall not be entitled to receive further payment until the Work is finished.

§ 14.2.4 To the extent the costs of completing Work, including compensation for additional professional services and expenses, exceed those costs that would have been payable to Contractor to complete the Work except for

Contractor's default, Contractor will pay the difference to Owner, and this obligation for payment shall survive termination of the Contract. Such costs incurred by Owner will be determined by Owner and confirmed by Architect.

§14.2.5 In addition to Owner's right to remove Contractor from any part of Work pursuant to the Contract Documents, Owner may, at any time, at will and without cause, terminate any part of Work or any subcontract or all remaining Work for any reason whatsoever by giving seven (7) days' prior written notice to Contractor specifying the part of Work or subcontract to be terminated and the effective date of termination. Contractor shall continue to prosecute the part of Work not terminated. If any part of Work or subcontract is so terminated, Contractor shall be entitled to payment for Work properly executed in accordance with the Contract Documents (the basis for such payment shall be as provided in the Contract) and for costs directly related to Work thereafter performed by Contractor in terminating such Work or subcontract including reasonable demobilization and cancellation charges provided said Work is authorized in advance by Architect and Owner. No payment shall be made by Owner, however, to the extent that such Work or subcontract is, was, or could have been terminated under the Contract Documents or an equitable adjustment is made or denied under another provision of the Contract. In case of such termination, Owner will issue a Construction Change Directive or authorize a Change Order making any required adjustment to the Date of Substantial Completion and/or the Contract Sum. For the remainder of the Work, the Contract Documents shall remain in full force and effect.

§14.2.6 Owner shall not be responsible for damages for loss of anticipated profits on Work not performed on account of any termination described in Section 14.2.5.

§14.2.7 Upon a determination by a court of competent jurisdiction that termination of Contractor pursuant to Section 14.2.1 was wrongful, such termination will be deemed converted to a termination for convenience pursuant to Section 14.2.5 and Contractor's remedy for wrongful termination shall be limited to the recovery of the payments permitted for termination for convenience as set forth in Section 14.2.5.

§ 14.3 SUSPENSION BY THE OWNER FOR CONVENIENCE

§ 14.3.1 The Owner may, without cause, order the Contractor in writing to suspend, delay or interrupt the Work in whole or in part for such period of time as the Owner may determine.

§ 14.3.2 The Contract Sum and Contract Time shall be adjusted for increases in the cost and time caused by suspension, delay or interruption as described in Section 14.3.1. Adjustment of the Contract Sum shall include profit. No adjustment shall be made to the extent

- .1 that performance is, was or would have been so suspended, delayed or interrupted by another cause for which the Contractor is responsible; or
- .2 that an equitable adjustment is made or denied under another provision of the Contract.

§ 14.4 TERMINATION BY THE OWNER FOR CONVENIENCE

§ 14.4.1 The Owner may, at any time, terminate the Contract for the Owner's convenience and without cause.

§ 14.4.2 Upon receipt of written notice from the Owner of such termination for the Owner's convenience, the Contractor shall

- .1 cease operations as directed by the Owner in the notice;
- .2 take actions necessary, or that the Owner may direct, for the protection and preservation of the Work; and
- .3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.

§ 14.4.3 In case of such termination for the Owner's convenience, the Contractor shall be entitled to receive payment for Work executed, and costs incurred by reason of such termination, without any overhead or profit on the Work not executed.

ARTICLE 15 CLAIMS AND DISPUTES

§ 15.1 CLAIMS

§ 15.1.1 DEFINITION

A Claim is a demand or assertion by one of the parties seeking, as a matter of right adjustment, or interpretation of the Contract Terms, payment of money, extension of time or other relief with respect to the terms of the Contract. The term "Claim" also includes other disputes and matters in question between the Owner and Contractor arising out of or relating to the Contract. The responsibility to substantiate Claims shall rest with the party making the Claim. Claims must be by written notice.

§ 15.1.2 NOTICE OF CLAIMS

Claims by either the Owner or Contractor must be initiated by written notice to the other party and to the Initial Decision Maker with a copy sent to the Architect, if the Architect is not serving as the Initial Decision Maker. Claims by either party must be initiated within 21 days after occurrence of the event giving rise to such Claim or within 21 days after the claimant first recognizes the condition giving rise to the Claim, whichever is later. Said written notice of claims shall state specifically the reason for the claim, the date or dates of the cause or causes of the claim, and if any extension of time is requested, the number of days of extension requested.

§ 15.1.3 CONTINUING CONTRACT PERFORMANCE

Pending final resolution of a Claim, except as otherwise agreed in writing or as provided in Section 9.7 and Article 14, the Contractor shall proceed diligently with performance of the Contract and the Owner shall continue to make payments in accordance with the Contract Documents. The Architect will prepare Change Orders and issue Certificates for Payment in accordance with the decisions of the Initial Decision Maker.

§ 15.1.4 CLAIMS FOR ADDITIONAL COST

If the Contractor wishes to make a Claim for an increase in the Contract Sum, written notice as provided herein shall be given before proceeding to execute the Work. Said notice shall itemize all claims and shall contain sufficient detail and substantiating data to permit evaluation of same by Owner and Architect. No such claim shall be value unless so made. Prior notice is not required for Claims relating to an emergency endangering life or property arising under Section 10.4.

§ 15.1.5 CLAIMS FOR ADDITIONAL TIME

§ 15.1.5.1 If the Contractor wishes to make a Claim for an increase in the Contract Time, written notice as provided herein shall be given. The Contractor's Claim shall include an estimate of cost and of probable effect of delay on progress of the Work. In the case of a continuing delay, only one Claim is necessary.

§ 15.1.5.2 If adverse weather conditions are the basis for a Claim for additional time, such Claim shall be documented by data substantiating that weather conditions were abnormal for the period of time, could not have been reasonably anticipated and had an adverse effect on the scheduled construction. Extensions of time may be requested for any month of construction for days lost due to adverse weather in excess of the normally expected lost time; provided, however, if Architect determines that the seasonal average of adverse weather days during construction is less than would be normally expected, no Change Order shall be issued and the request for extension of time shall be denied.

§ 15.1.6 CLAIMS FOR CONSEQUENTIAL DAMAGES

(Paragraph deleted)

Contractor shall not be entitled to claims for additional time and/or increase in Contract Price due to a problem or non-performance of a subcontractor.

§ 15.1.7 In the event the Contractor fails to achieve substantial completion by the date indicated in the Contract, and extended by approved Change Order, the Owner shall be entitled to liquidated damages in the amount as stated in Section 3.1.1 of the modified AIA document A 101 – 2007 Edition by and between Owner and Contractor to which this document is attached as Exhibit A per day until the Work is substantially completed. It is expressly understood that the said sum per day is agreed upon as a fair estimate of the pecuniary damages, which will be sustained by Owner in the event that the Work is not completed within the agreed time, or within the legally extended time, if any. Said sum shall be considered as liquidated damages only, the exact ascertainment of which is difficult and in no sense be considered a penalty.

This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination in accordance with Article 14. Nothing contained in this Section 15.1.6 shall be deemed to preclude an award of liquidated damages, when applicable, in accordance with the requirements of the Contract Documents.

§ 15.2 INITIAL DECISION

§ 15.2.1 Claims, excluding those arising under Sections 10.3, 10.4, 11.3.9, and 11.3.10, shall be referred to the Initial Decision Maker for initial decision. The Architect will serve as the Initial Decision Maker, unless otherwise indicated in the Agreement. Except for those Claims excluded by this Section 15.2.1, an initial decision shall be required as a condition precedent to mediation of any Claim arising prior to the date final payment is due, unless 30 days have passed after the Claim has been referred to the Initial Decision Maker with no decision having been rendered. Unless the Initial Decision Maker and all affected parties agree, the Initial Decision Maker will not decide disputes between the Contractor and persons or entities other than the Owner.

§ 15.2.2 The Initial Decision Maker will review Claims and within ten days of the receipt of a Claim take one or more of the following actions: (1) request additional supporting data from the claimant or a response with supporting data from the other party, (2) reject the Claim in whole or in part, (3) approve the Claim in whole or in part, (4) suggest a compromise, or (5) advise the parties that the Initial Decision Maker is unable to resolve the Claim if the Initial Decision Maker lacks sufficient information to evaluate the merits of the Claim or if the Initial Decision Maker concludes that, in the Initial Decision Maker's sole discretion, it would be inappropriate for the Initial Decision Maker to resolve the Claim.

§ 15.2.3 In evaluating Claims, the Initial Decision Maker may, but shall not be obligated to, consult with or seek information from either party or from persons with special knowledge or expertise who may assist the Initial Decision Maker in rendering a decision. The Initial Decision Maker may request the Owner to authorize retention of such persons at the Owner's expense.

§ 15.2.4 If the Initial Decision Maker requests a party to provide a response to a Claim or to furnish additional supporting data, such party shall respond, within ten days after receipt of such request, and shall either (1) provide a response on the requested supporting data, (2) advise the Initial Decision Maker when the response or supporting data will be furnished or (3) advise the Initial Decision Maker that no supporting data will be furnished. Upon receipt of the response or supporting data, if any, the Initial Decision Maker will either reject or approve the Claim in whole or in part.

§ 15.2.5 The Initial Decision Maker will render an initial decision approving or rejecting the Claim, or indicating that the Initial Decision Maker is unable to resolve the Claim. This initial decision shall (1) be in writing; (2) state the reasons therefor; and (3) notify the parties and the Architect, if the Architect is not serving as the Initial Decision Maker, of any change in the Contract Sum or Contract Time or both. The initial decision shall be final and binding on the parties but subject to mediation and, if the parties fail to resolve their dispute through mediation, to litigation.

§ 15.2.6 DELETED.

§ 15.2.6.1 DELETED.

§ 15.2.7 In the event of a Claim against the Contractor, the Owner may, but is not obligated to, notify the surety, if any, of the nature and amount of the Claim. If the Claim relates to a possibility of a Contractor's default, the Owner may, but is not obligated to, notify the surety and request the surety's assistance in resolving the controversy.

§ 15.2.8 DELETED.

§ 15.3 MEDIATION

§ 15.3.1 Claims, disputes, or other matters in controversy arising out of or related to the Contract may be subject to mediation as a condition precedent to litigation.

§ 15.3.2 The parties shall endeavor to resolve their Claims by mediation. A request for mediation shall be made in writing, delivered to the other party to the Contract, and filed with the person or entity administering the mediation.

§ 15.3.3 The parties shall share the mediator's fee. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 15.4 ARBITRATION

The parties expressly agree that disputes or claims arising under the Contract Documents shall not be subject to arbitration unless mutually agreed by the parties in writing.

OWNER:

McALLEN INDEPENDENT SCHOOL DISTRICT

By: _____

Date

CONTRACTOR:

[_____]

By: _____

Printed Name: _____

Title: _____

Date

APPROVED AS TO FORM
ATLAS, HALL & RODRIGUEZ, LLP

By: _____
Stephen L. Crain

(Paragraphs deleted)



**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: 

SUPERVISOR: 

Approved for presentation to the Board of Education:



142 _____
Superintendent of Schools

STATE OF TEXAS }
COUNTY OF HIDALGO }
CITY OF MCALLEN }

BASIC AGREEMENT

This Agreement made and entered into on this the 1st day of April 2022, by and between the City of McAllen, a political subdivision of the State of Texas, hereinafter referred to as "**CITY**", and McAllen Independent School District, hereinafter referred to as "**DISTRICT**".

WITNESSETH

WHEREAS, DISTRICT desires to carry out eligible activities as described in the attached **EXHIBIT A: STATEMENT OF WORK**, of this Agreement, and permitted by Title I of the Housing and Community Development Act of 1992 (1992 Act) pursuant to the U. S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Program Entitlement Grant Regulations and covered in 24 CFR Part 570 and activities deemed as eligible under 24 CFR Subpart C.

WHEREAS, the CITY proposes to contract with **DISTRICT** in order that the eligible activities described in **EXHIBIT A: STATEMENT OF WORK** can be carried out for the benefit of low and moderate income residents in the **CITY's** jurisdiction and said activities will meet a National Objective as noted in 24 CFR Part 570.200(a)(1), 570.200(a)(2) and 570.201-.209

NOW, THEREFORE, KNOW BY THESE PRESENTS: That for and in consideration of the mutual covenants and agreements herein set forth and other good and valuable consideration which abide by 24 CFR Part 570.503 Agreement with Subrecipients, the **CITY** and the **DISTRICT** do mutually agree as follows:

**SECTION I
RULES AND REGULATIONS**

DISTRICT agrees to cooperate with the **CITY** in respect to the implementation of CDBG activities to be carried out by **DISTRICT** pursuant to 24 CFR Part 570, 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards) and other rules, regulations and decisions as may be made by HUD or any other federal or state **DISTRICT** that may legally exercise its jurisdiction over expenditures of CDBG program funds.

DISTRICT agrees to act as intermediary in the provision of assistance to private for-profit businesses, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms of support, for any activity where the assistance is appropriate to carry out an economic development project.

Information may be found at www.ecfr.gov.

**SECTION II
STATEMENT OF WORK**

DISTRICT agrees to perform services as outlined in **EXHIBIT A: STATEMENT OF WORK** for and in consideration of payment in the amount of Two Hundred Thousand Dollars (\$200,000) and as delineated in **EXHIBIT B: GRANT BUDGET/PROJECT MILESTONES**.

DISTRICT agrees to notify **CITY**, in writing, of any changes in its Statement of Work, or Grant Budget. **DISTRICT** shall obtain approval, in writing, from **CITY** prior to commencing work on any changes made to the **EXHIBITS A-B**.

Time for performance for this Agreement shall be for a period of nine (9) months beginning April 1, 2022, and ending January 31, 2023, provided however obligations which specifically or by implication are to be performed after January 31, 2023 shall continue to be enforced after such date. **CITY** shall not be liable for costs incurred or performances rendered by **DISTRICT** before commencement of this Agreement or after termination of this Agreement. Allowable costs will only be reimbursed for expenses incurred during the period of performance described in 24 CFR Part 570.503 and 2 CFR Part 200.309 (Period of Performance).

Statement of Work inclusive of schedule, milestones and budget and/or their modification adhere to requirements so enumerated in 24 CFR Part 570.502, 570.503(b)(1) and 2 CFR Part 200.308.

**SECTION III
RECORDS AND REPORTS**

DISTRICT agrees to establish and maintain records and reports for a minimum of three years following the submission of the final report and agrees to make those records and reports available to the **CITY**, HUD, and any other local, state or federal agency or authority that may exercise jurisdiction over CDBG funds. Records include but are not limited to documentation that establishes that the service is designated for the benefit of low- and moderate-income persons who reside within the corporate limits of City.

DISTRICT must remit to **CITY** a Monthly Activity Report by the 25th of each month.

DISTRICT must remit all expenditure requests for payment no later than 30 days after January 31, 2023. Request for reimbursement submitted after March 2, 2023, may not be paid and **DISTRICT** shall forfeit to **CITY** all unspent and non-requested funds. However, if **DISTRICT** demonstrates that delays or departure from the schedule is due to circumstances beyond its control, **CITY** and **DISTRICT** may amend time of performance.

DISTRICT is required to maintain an active registration in the System of Awards Management (SAM) for the duration of this agreement. Further, **CITY** may require information necessary to complete the Federal Funding Accountability and Transparency

Act (FFATA) or any other Grant specific report to be furnished by **DISTRICT** as detailed in 2 CFR Part 200.300 (Statutory and National Policy Requirements).

Notwithstanding 2 CFR 200.337, **CITY** and **DISTRICT** recipients shall provide citizens with reasonable access to records regarding the past use of CDBG funds, consistent with applicable State and local laws regarding privacy and obligations of confidentiality in accordance with 24 CFR Part 570.508.

DISTRICT and **CITY** shall comply with 2 CFR Part 200.82 regarding Protected Personally Identifiable Information

Records, Record Keeping, Retention and Reports adhere to requirements so enumerated in 24 CFR Part 570.502, 570.502(a)(7), 570.503(b)(2), 570.506 and 570.507.

SECTION IV MONITORING VISITS

DISTRICT shall attend an orientation prior to the first draw of funds.

CITY shall provide a technical assistance seminar, if requested, and will follow **CITY's** monitoring schedule as detailed in the Consolidated Plan and Strategy.

CITY will notify **DISTRICT** no less than one week in advance of on-site monitoring visits to assure compliance with applicable Federal requirements and that performance goals are being achieved as per 2 CFR Parts 200.301 (Performance Measurement) and Part 328 (Monitoring and Reporting Program Performance) as well as 24 CFR Part 570.501(b), .502 and 503 (Grant Administration).

Subsequent to each monitoring visit, **CITY** shall provide **DISTRICT** with a written report of the monitor's determinations. If the monitoring report notes deficiencies in **DISTRICT's** performance under the terms of this Agreement, the monitoring report shall also include requirements for the timely correction of such deficiencies by **DISTRICT**.

Failure by **DISTRICT** to take action specified in the monitoring report may be cause for suspension or termination of this Agreement, as provided in Section VIII – Suspension and Termination.

In addition, **DISTRICT** shall give **CITY**, HUD, Inspector General, the Comptroller General of the United States, and any of their duly authorized representatives, unobstructed and full access to and the right to examine all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by **DISTRICT** pertaining to this Agreement as provided in 2 CFR Part 200.336 (Access to Records).

**SECTION V
COMPENSATION, METHOD OF PAYMENT, AND PROGRAM INCOME**

DISTRICT agrees to follow administrative directions from the **CITY** regarding documenting and processing payment requests as determined during orientation and monitoring visits. All necessary documentation such as canceled checks, paid invoices and time and attendance records, which include case numbers or other identification of beneficiaries, must be submitted with each request for payment. **CITY** may request additional documentation of expenditures from **DISTRICT**, as deemed necessary by **CITY** or facilitated under 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards and 24 CFR Part 570.502 – Applicability of Uniform Administrative Requirements.

DISTRICT and **CITY** agree that, if applicable, program income generated from the use of CDBG funds shall be retained by the **DISTRICT**. If the activity is partially assisted with CDBG funds, the **DISTRICT** agrees to pro-rate the gross income to reflect the percent of CDBG funds assisted in the activity. If generated, **DISTRICT** is to provide to the **CITY** an account of program income on a monthly basis. Program income determinations are found at 24 CFR Part 570.500(a), 570.503(b)(3), 570.504 and 2 CFR Part 200.307

CITY is then required to report all CDBG program income earned, retained, and expended. The **DISTRICT** shall be allowed to use program income for the same or similar activities as generated the program income. Failure of the **DISTRICT** to report program income as required shall cause the **CITY** to require all program income to be returned to the **CITY**.

DISTRICT and **CITY** agree that all unused CDBG funds will be returned to **CITY** at the end or termination of this agreement.

**SECTION VI
RELIGIOUS AND POLITICAL ACTIVITIES**

DISTRICT and **CITY** agree that none of the funds expended or activities undertaken shall be used in support of any sectarian, religious or political activity, nor shall any building or structure funded under this Agreement be used for sectarian or religious activities in accordance with 24 CFR Part 570.200(j) and .207 – General Policies and Ineligible Activities, respectively.

**SECTION VII
AUDIT REQUIREMENTS AND FINANCIAL MANAGEMENT**

DISTRICT agrees to comply with the applicable requirements and standards as set forth in 2 CFR Part 200.501 (Audit Requirements). Audits shall be conducted annually in accordance with 2 CFR Part 504 (Frequency of Audits). Applicability of audit requirements to CDBG program is noted in 24 CFR Part 570.502(a) and .610.

DISTRICT agrees to furnish **CITY** a Financial Management letter covering the period of this Agreement that includes detailed receipts and disbursement of payments to **DISTRICT** hereunder.

However, if **DISTRICT** expends Seven Hundred Fifty Thousand Dollars (\$750,000) or more in federal funds, **DISTRICT** must, within nine (9) months, supply **CITY** with an audit of revenues and expenditures conducted by a Certified Public Accountant and compliant with 2 CFR Part 200.514 (Scope of Audit).

DISTRICT acknowledges that a Financial Audit shall be provided to **CITY** at the expense of the **DISTRICT**. Audit shall be available to **CITY**, and any and all applicable federal agencies, and be of unrestricted access, as listed in 2 CFR Part 200.336 (Access to Records).

If the **DISTRICT** expends less than \$750,000 per year in cumulative federal awards, then they are exempt from Part 200.501 for that year; however, records must be available for review or audit by appropriate officials of the federal agency, pass-through entities, non-Federal **DISTRICT (CITY)** and the General Accounting Office.

For an exempt **Agency**, a 990 Tax Return (Return of Organization Exempt From Income Tax), and Financial Statements are required for the most recent fiscal year. Further, **DISTRICT** agrees to cooperate with **CITY** relating to any inquiries regarding the audit.

It is understood that **CITY** and **DISTRICT** have a fiduciary responsibility to meet Financial Management standards and practices so noted in 2 CFR Part 200.302 and as may be applicable under 24 CFR Part 570.502 and 570.610.

SECTION VIII SUSPENSION AND TERMINATION

DISTRICT understands that this Agreement may be suspended or terminated, in accordance with 2 CFR Part 200.339 (A)(4) (Termination), if the **DISTRICT** materially fails to comply with the provisions of this Agreement, the provisions so listed in **EXHIBITS A – C** or Program Management Standards recognized under 24 CFR Part 570.502, 503(b)(4) and .610.

If **DISTRICT** fails to fulfill in a timely and proper manner its obligations under this Agreement, or **DISTRICT** violates the Agreements or any stipulations of this Agreement, then the **CITY** shall provide **DISTRICT** written notification of such non-performance. Such non-performance may be the basis for immediate termination of this Agreement. Should any breach of Agreement relate to a violation of federal law or regulation that results in HUD demanding reimbursement from the **CITY**, **DISTRICT** or its successor, the **CITY** will terminate Agreement and seek reimbursement of all funds from **DISTRICT**.

DISTRICT shall not be relieved of the liability to the **CITY** for damages sustained by the **CITY** by virtue of any breach of this Agreement by **DISTRICT**. Further, **CITY** may withhold

any payments to **DISTRICT** for violations of federal regulations. Should the **CITY** become aware of any activity by **DISTRICT**, which would jeopardize the **CITY'S** position with HUD, or which would cause a payback of federal funds, then **CITY** may take appropriate action including injunctive relief against **DISTRICT** to prevent the aforesaid transaction. Failure of the **CITY** to exercise any right shall in no way constitute a waiver by **CITY** to otherwise demand payment or seek any other relief in law or in equity to which it may be justly entitled.

It is expressly agreed that this Agreement may not be amended except upon the joint action of both the **CITY** and **DISTRICT**.

Except in cases of Termination of Grant for Convenience (24 CFR Part 570.509(e)) or Termination for Cause (570.509(f)), **CITY** will conform to grant closeout procedures noted in 570.509(a-d)

SECTION IX ASSETS

DISTRICT shall not purchase any item or asset unless so permitted by the **CITY** and such procurement shall be done in the form and manner prescribed by **CITY**. **CITY** shall own all equipment purchased by **DISTRICT** utilizing CDBG funds and furnished to **DISTRICT** under this agreement until the equipment's useful life has expired.

Any asset acquired or improved in part or in whole with CDBG funds in excess of \$25,000 must be used in an activity that meets one of the national objectives listed in 24 CFR Part 570.208 for a period of five (5) years after the submission of the final report or a longer period if so determined by the **CITY**.

CITY's written approval must be obtained prior to the disposition of any asset improved or acquired in part or in whole with CDBG funds by **DISTRICT**. **CITY** shall be reimbursed the full amount of the disposed value of the asset if the asset is sold.

CITY may, at its option, request that such asset be transferred to **CITY** if the asset is no longer being used to meet one of the national objectives or in any case where the **DISTRICT** no longer provides services shown on **EXHIBIT A: STATEMENT OF WORK**.

Purchases of equipment of seven hundred (\$700) dollars or more in value will be labeled with a numbered **CITY** CDBG tag.

Reversion of Assets and its applicability is addressed in 24 CFR Part 570.502, 570.503 and 570.505. Furthermore, Real Property requirements are noted in 24 CFR Part 570.502, 570.503(b)(7), 570.505 and 2 CFR Part 200.311.

**SECTION X
INDEMNITY CLAUSE**

To the extent allowable by law, **DISTRICT** agrees to hold **CITY** harmless from, and indemnify **CITY** from and defend **CITY** against any and all claims brought against **CITY** by employees or officers of **DISTRICT** or brought by any third person arising in any manner directly or indirectly from **DISTRICT** programs, activities or events conducted pursuant to this Agreement.

**SECTION XI
PROCUREMENT**

DISTRICT agrees to follow the rules of the **CITY** on the procurement of services, supplies or non-real property in relation to CDBG-funded projects. The legal standards that will apply include the Procurement Standards of the City of McAllen, 2 CFR Part 200.317-.326 (Procurement Standards) and 24 CFR Part 570.502, as applicable. In such case as **DISTRICT** has developed procurement standards governing its operation, **DISTRICT** is required to follow the stricter of **DISTRICT's** or **CITY's** procurement procedures.

CITY's traditional procurement procedures are as follows: For purchases up to \$999.99, **DISTRICT** must provide invoice or receipt and cancelled check. For purchases of \$1,000 but not exceeding \$49,999.99, **DISTRICT** must provide a minimum of three quotes on vendor letterhead, invoice or receipt and cancelled check. For purchases of \$50,000 or more, **DISTRICT** must use the competitive sealed bid procedure.

DISTRICT is advised to contact **CITY** for assistance in connection with competitive bidding procedures. **DISTRICT** must advertise no less than twice in a newspaper of general circulation. Advertisements must be separated by no less than seven calendar days. Sealed bids must be opened no less than eight calendar days after the second advertisement and bids shall only be awarded by **DISTRICT's** governing board, where applicable.

Non-traditional procurement, such as use of buy board, co-ops, or unit pricing, may be allowed when open and fair competition can be demonstrated. Such methods shall be acceptable when **CITY's** written approval is obtained in advance of award selection.

**SECTION XII
CONFLICT OF INTEREST**

DISTRICT covenants that neither members of its organization or staff members who exercise influence on the decision-making process presently has or will have any interest, direct or indirect, with any person, corporation, company or association that is hired to carry out any of the activities so listed in **EXHIBIT A: STATEMENT OF WORK**. Such requirement is listed in 2 CFR Parts 200.112 (Conflict of Interest) and 200.318(c)(1) (General Procurement Standards) and 24 CFR Part 570.611.

DISTRICT agrees that no person who is an elected official, officer, director, employee, consultant, or agent of the **DISTRICT's** organization or the **CITY's** organization shall gain any interest in any corporation, company, or association that is hired to carry out any of the activities so listed in **EXHIBIT A: STATEMENT OF WORK** during their tenure.

DISTRICT is responsible for repayment of funds associated with any Conflict of Interest that may occur either knowingly or unknowingly.

No **CITY** employee, elected official, consultant and/or agent shall solicit nor accept gratuities, favors, or anything of monetary value from any person, corporation, company, or association that has been hired or expects to be hired to perform any of the activities so described in **EXHIBIT A: STATEMENT OF WORK**.

SECTION XIII LEGAL ACTION AND VENUE

DISTRICT agrees to notify the **CITY** when a problem arises that may lead to legal action or claim against the **DISTRICT**. **DISTRICT** agrees to furnish to **CITY** any information with respect to such action or claim. **DISTRICT** agrees not to take any action with respect to any legal action or claim sought against the **DISTRICT** without the advice and consent of **CITY**.

Venue and jurisdiction of any suit, right or cause of action arising under or in connection with this Agreement shall lie exclusively in Hidalgo County.

SECTION XIV MISCELLANEOUS BASIC ELEMENTS

Compliance with Laws and Regulations. Nothing in this Agreement shall be construed so as to require the commission of any act contrary to local, state or federal law or regulation, as provided for in 24 CFR Part 570.

Antidiscrimination/Affirmative Action and EEO. This Agreement serves to maintain and enforce Antidiscrimination Laws, Affirmative Action and Equal Employment Opportunity regulations located in 24 CFR Part 8, 570.601, 570.602 and 570.607, Section 504 of Rehabilitation Act of 1973, Americans with Disabilities Act of 1990, 41 CFR Part 60, 12 U.S.C 1701u and Executive Orders 11063, 11246 and 12086.

Environmental Standards. **CITY** shall maintain responsibility of ensuring Environmental Review is complete in accordance with 24 CFR Part 570.202, 503, 604, Part 58, 42 U.S.C 4001 et seq., and Section 104(g) of the Housing and Community Development Act prior to Agreement ratification. Notwithstanding activities listed in Exhibit A – Statement of Work, **CITY** shall not relinquish, nor shall **DISTRICT**, incur expenses prior to completion of Environmental Review Record.

Grant Closeout Procedures. DISTRICT shall provide timely and accurate financial and performance data such as to allow CITY to complete its assessment of the fiscal year. Procedures for closeout are noted in 24 CFR Part 570.509.

Other Program Requirements. Citations for Other Program Requirements are provided in 24 CFR Part 570.503(b)(5), 570.600-603, and 570.605-614.

SECTION XV MISCELLANEOUS PROVISIONS

Conflict with Applicable Law. Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any present or future law, ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

No Waiver. No waiver by CITY of any breach of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

Entire Agreement. This Agreement contains the entire contract between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representations or agreements in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by CITY and DISTRICT, and not otherwise.

Texas Law to Apply. This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas. The parties hereby consent to personal jurisdiction in Hidalgo County, Texas.

Notice. Except as may be otherwise specifically provided in this Agreement, all notices, demands, requests or communications required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by electronic mail, or (iii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or (iv) sent by facsimile or at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith.

Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the United States mail.

Reports and Notices shall be made to:

CITY OF McALLEN

Yvette Balderas, Director
Grant Administration Department
P.O. Box 220
McAllen, TX 78505-0220
Phone: (956) 681-1030
cdbg@mcallen.net

McALLEN INDEPENDENT SCHOOL DISTRICT

Name of Signatory:	<u>Sam Saldivar Jr.</u>
Title of Signatory:	<u>Board of Trustees, President</u>
Address:	<u>2000 N. 23rd St.</u>
City, State, Zip:	<u>McAllen, TX 78501</u>
Phone:	<u>956-618-6000</u>

Additional Documents. The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

Successors. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Agreement.

Assignment. This Agreement shall not be assignable by **DISTRICT**. **CITY** may assign this Agreement without the consent of **DISTRICT**.

Headings. The headings and captions contained in this Agreement are solely for convenient reference and shall not be deemed to affect the meaning or interpretation of any provision or paragraph hereof.

Gender and Number. All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate.

Authority to Execute. The execution and performance of this Agreement by **CITY** and **DISTRICT** have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of **CITY** and **DISTRICT** in accordance with its terms.

**SECTION XVI
ENUMERATION OF CONTRACT DOCUMENTS**

This Agreement shall be performed in accordance with, and subject to, the provisions of all documents enumerated herein, or which may be attached hereto by written mutual consent of the contracting parties at any future date and are hereby made a part of this Agreement unless otherwise provided for.

To comply with 24 CFR Part 270.503, the Agreement document so enumerated is:

- (1) EXHIBIT A: STATEMENT OF WORK
- (2) EXHIBIT B: GRANT BUDGET/PROJECT MILESTONES
- (3) EXHIBIT C: 2 CFR PART 200–UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

**SECTION XVI
EFFECTIVE DATE**

The effective date of this agreement shall be the 1st day of April 2022 and shall terminate on the 31st day of January 2023.

IN WITNESS THEREOF, CITY and DISTRICT have executed two (2) conformed copies of this Contract as of the date first above written.

CITY OF McALLEN

By: _____
Javier Villalobos, Mayor

Date: _____

ATTEST:

By: _____
Perla Lara, City Secretary

McALLEN INDEPENDENT SCHOOL DISTRICT

By: _____

Printed Name: Sam Saldivar Jr.

Title: Board of Trustees, President

Date: _____

Approved as to form:
Atlas, Hall & Rodriguez LLC
by: Stephen L. Crain
Stephen L. Crain (Apr 6 2022 15:45 CDT)
Stephen L. Crain

APPROVED AS TO FORM:

By: _____
Isaac Tawil, City Attorney



EXHIBIT A

STATEMENT OF WORK

1. Services

CDBG funds will be used for the purchase and installation of an all-inclusive playground with all-weather surfacing.

2. Beneficiaries

CDBG funds will benefit 3875 residents who live within the campus boundaries

3. Location

Escandon Elementary School/City Park is located at 2901 Uvalde Avenue, McAllen, Texas.

The service area is located between Business 83, Jordan Road, 23rd Street and Ware Road.

4. Other Funding Sources

None

5. Performance Measurement

- Encourage residential and neighborhood use of campus park amenities after school hours while providing availability for students during school hours.

*Beneficiary data was determined via LMISD date 05/21/2021

**EXHIBIT B
GRANT BUDGET/PROJECT MILESTONES**

Type of Expenditure	Amount
All-inclusive Playground with all-weather surfacing	\$200,000
TOTAL	\$ 200,000

Timeline	Accomplishment	
Month of:	Funds Expended	Beneficiaries Served
February 28, 2023	\$200,000	

EXHIBIT C

PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

Subpart A—ACRONYMS AND DEFINITIONS

ACRONYMS

Subpart B—GENERAL PROVISIONS

Subpart C—PRE-FEDERAL AWARD REQUIREMENTS AND CONTENTS OF FEDERAL AWARDS

Subpart D—POST FEDERAL AWARD REQUIREMENTS

STANDARDS FOR FINANCIAL AND PROGRAM MANAGEMENT

PROPERTY STANDARDS

PROCUREMENT STANDARDS

PERFORMANCE AND FINANCIAL MONITORING AND REPORTING

SUBRECIPIENT MONITORING AND MANAGEMENT

RECORD RETENTION AND ACCESS

REMEDIES FOR NONCOMPLIANCE

CLOSEOUT

POST-CLOSEOUT ADJUSTMENTS AND CONTINUING RESPONSIBILITIES

COLLECTION OF AMOUNTS DUE

Subpart E—COST PRINCIPLES

GENERAL PROVISIONS

BASIC CONSIDERATIONS

GENERAL PROVISIONS FOR SELECTED ITEMS OF COST

EXHIBIT C - Continued

PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

Subpart F—AUDIT REQUIREMENTS

GENERAL

AUDITS

AUDITEES

FEDERAL AGENCIES

AUDITORS


MANAGEMENT DECISIONS

- Appendix Appendix I to Part 200—Full Text of Notice of Funding Opportunity
- Appendix Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards
- Appendix Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs)
- Appendix Appendix IV to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations
- Appendix Appendix V to Part 200—State/Local Governmentwide Central Service Cost Allocation Plans
- Appendix Appendix VI to Part 200—Public Assistance Cost Allocation Plans
- Appendix Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals
- Appendix Appendix VIII to Part 200—Nonprofit Organizations Exempted From Subpart E—Cost Principles of Part 200
- Appendix Appendix IX to Part 200—Hospital Cost Principles
- Appendix Appendix X to Part 200—Data Collection Form (Form SF-SAC)
- Appendix Appendix XI to Part 200—Compliance Supplement
- Appendix Appendix XII to Part 200—Award Term and Condition for Recipient Integrity and Performance Matters

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: 

SUPERVISOR: 

Approved for presentation to the Board of Education:



158 _____
Superintendent of Schools

INTERLOCAL COOPERATION AGREEMENT

City of McAllen, Texas and McAllen Independent School District

This Agreement (hereafter “Interlocal Cooperation Agreement”) is made on April 11, 2022 by and between the **City of McAllen, Texas (“City”)** and the **McAllen Independent School District (“District”)**, pursuant to the provisions of the Texas Interlocal Cooperation Act, as follows:

WHEREAS, the City of McAllen, Texas (“City”) and the McAllen Independent School District (“District”) have social, economic and governmental ties, and;

WHEREAS, the District currently owns a school campus located on tracts of land situated in the City of McAllen, Hidalgo County, Texas, known as Sanchez Elementary School (“Sanchez”) with an adjacent park (“Sanchez Inclusive Park”), and;

WHEREAS, the District desires to establish and provide an inclusive playground and related activity improvements to serve the school facility and to utilize said campus with the City and City desires to maintain existing perimeter fencing and grounds keeping at the inclusive playground and make it available to District during normal school hours and to the citizens of the City at all other established times; and

WHEREAS, the District desires to make certain improvements for use by the citizens of the City and students of the District, within the Sanchez campus, and the City and District have determined it is in the best interest of the parties for improvements to be made at Sanchez as hereinbelow described;

NOW, THEREFORE, in consideration of the foregoing and the following, City and District hereby agree as follows:

1. With respect to the parties hereto, this Agreement supplements the Memorandum of Understanding effective March 10, 2021 between the City of McAllen, McAllen Independent School District, Hidalgo County and Capable Kids Foundation, Inc. This Agreement does not supersede the memorandum of understanding yet clarifies the expectations, duties and obligations of the City and District with regards to the ongoing operation and maintenance of Sanchez Inclusive Park.
2. The terms and conditions of each paragraph of this Agreement may be amended in writing to better provide, maintain, utilize or benefit the parties hereto and the constituents thereof.
3. District agrees to construct and make necessary improvements to Sanchez Inclusive Park to establish an inclusive playground and related activity improvements.
4. City agrees to maintain the existing perimeter fencing, grounds keeping, and open/close Sanchez Inclusive Park during weekends and non-school days.

5. District and City agree to designate Sanchez Inclusive Park as a City/School park. District shall open Sanchez Inclusive Park during the week on school days and shall permit access to the public for use of the facilities at Sanchez Inclusive Park during the weekend and non-school hours as follows: Monday-Friday from 5:30pm–11:00pm and Saturday-Sunday from 7:00am-11:00pm. City and District may mutually agree upon curfews for the use of Sanchez Inclusive Park but in no case shall Sanchez Inclusive Park be open to the general public for any period of time later than the general curfews established by the City of McAllen for other park facilities. District’s police force shall have authority to enforce District’s security policies and mutually agreed curfews.
6. Either party to this Agreement, who because of the other party’s breach thereof, may be required to institute legal proceedings in relationship to this Agreement, and who should prevail in any such legal proceedings shall be entitled to recover court costs and reasonable attorney’s fees from the non-prevailing party. The term prevailing party shall mean in the case of the plaintiff, the party who received in substantial form or amount the relief sought as set out in the final petition before the court; and as to any defendant, it shall be considered a prevailing party where the plaintiff did not substantially recover the relief sought.
7. City and District agree to coordinate the scheduling of work on the improvements described herein and to create a mutually agreed upon construction and installation schedule for such improvements.
8. This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas. In case any one or more provisions of this Agreement shall for any reason to be held to be invalid, illegal or unenforceable in any respect such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.
9. The rights and remedies provided by this Agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.
10. No waiver by the parties hereto of any default or breach of any term, condition or covenant of this Agreement shall be deemed a waiver of any other breach of the same or any other term, condition or covenant contained herein.
11. Neither District nor City shall be required to perform any term, condition or covenant in this Agreement so long as such performance is delayed or prevented by force majeure,

which shall mean acts of God, strikes, lockouts, materials or labor restrictions by an governmental authority, pandemic, public health crisis, civil riot, floods and/or any other cause no reasonably in control of the District or City, and which by the exercise of due diligence is unable, wholly or in part, to prevent or overcome.

APPROVED and **AGREED** to as of the date first written above.

CITY OF MCALLEN

By: _____ Date: _____
Javier Villalobos, Mayor

MCALLEN INDEPENDENT SCHOOL DISTRICT

By: _____ Date: _____
Sam Saldivar, Board of Trustees

Approved as to form:
Atlas Hall & Rodriguez LLC
by: Stephen L. Crain
Stephen L. Crain (Apr 6, 2022 15:37 CDT)
Stephen L. Crain

Approved as to Form:
by: _____
Isaac Tawil, City Attorney

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: 

SUPERVISOR: 

Approved for presentation to the Board of Education:



162 _____
Superintendent of Schools



<u>Participant Name</u>	<u>Contact</u>	<u>Address</u>	<u>Phone</u>	<u>Email</u>
PLAY RGV LLC	Luis E. Montemayor	824 E. Expressway 83 La Joya, TX 78560	(956) 735-6212	playrgvllc@hotmail.com
TENZO MCALLEN, LLC.	Christian Diaz	1002 Hoerner Rd Mission, TX 78572	(956) 239-3706	cdiaz@tenzosunshades.com

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: *Alexandra Molina*

SUPERVISOR: *Adelino*

Approved for presentation to the Board of Education:

J. X. O'Sullivan

164
Superintendent of Schools

ATTACHMENT A

No	EVALUATION MATRIX RFP NO. 2022-1030 Fresh Produce for Child Nutrition Program Criteria	Max. Pts. 100	Buster Lind	Nicho Produce Co.
	Total Points	100	97	65
	Ranking		1	2
1	Price	50	50.0	23.0
	Bid item total price for week of March 28, 2022 - April 1, 2022 (86 items)		<i>\$1,081.90</i>	<i>\$2,354.72</i>
2	Reputation of the vendor and of the vendor's goods or services;	2	2	2
	Previous experience of similar scope and size = 2 points (references)		<i>3 districts</i>	<i>3 districts</i>
3	The quality of the vendor's goods or services	20	20	20
	Excellent/Good = 20 pts.; Fair (inferior products replaced promptly) - 10 pts. Poor (unusable) = 0 *new vendors to District based on prior history with other Districts (references)		<i>Excellent/Good</i>	<i>Excellent/Good</i>
4	The extent to which the goods or services meet District's needs	16	14	12
	The qualified supplier(s) must have USDA approved facilities yes = 5 point; no = 0 points	5	5	5
			<i>Yes</i>	<i>Yes</i>
	HACCP plan in place yes = 4 points; no = 0 points	4	4	4
			<i>Yes</i>	<i>Yes</i>
	Proof of insurance yes = 3 points; no = 0 points	3	3	3
			<i>Yes</i>	<i>Yes</i>
	Current Local Health Department inspections; no finding = 4 points; corrected findings = 2 points; findings not corrected/none submitted = 0 points	4	2	0
			<i>Corrected findings</i>	<i>None submitted</i>
5	Past Relationship with District	1	1	1
	Positive past experience = 1 point; not positive past experience/no experience = 0 points		<i>positive</i>	<i>positive</i>
6	HUB	1	0	0
	Yes = 1 point No = 0		<i>not hub</i>	<i>not hub</i>
7	Total long-term cost to the district to acquire the vendor's goods or services	5	5	2.3
	Annual Cost (52 weeks)		<i>\$56,258.80</i>	<i>\$122,445.44</i>
8	Vendor or the vendor's ultimate parent company or majority owner has its principal place of business in this state or employs at least 500 persons in this state	1	1	1
	Located in Texas Yes = 1 point No = 0		<i>Yes, Edinburg, TX</i>	<i>Yes, Edinburg, TX</i>
9	Any other relevant factor specifically listed in the request for bids or proposals.	4	3.5	3.5
	All "Buy American" documentation = Complete/All domestic = 3 points; Incomplete = 2 points No = 0 points	3	3	3
			<i>Complete</i>	<i>Complete</i>
	Distributor Location within 50 miles of McAllen = .5 point; Geo Local Farmer (Region 1) Preference = 1 point	1	0.5	0.5
			<i>within 50 miles</i>	<i>within 50 miles</i>

RECOMMENDED VENDORS

Request For Proposal No. 2022-1030 Fresh Produce for Child Nutrition Program

No.	Vendor Name	City	State	Recommendation
1	Buster Lind Produce Inc	Edinburg	TX	Qualified
2	Nicho Produce Company, Inc.	Edinburg	TX	Qualified

**BOARD AGENDA REPORT
McALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

**BOARD AGENDA REPORT
McALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBMITTED BY: 

SUPERVISOR: 

Approved for presentation to the Board of Education:



Description	A	B	C		D	E
	Original Budget	Revised Budget 02/28/2022	Budget Amendments Under Consideration		Revised Budget 03/31/2022	
			Revisions	Transfers		
Audited Fund Balance	107,594,997	107,594,997				107,594,997
Revenues:						
Local:						
Property Taxes	84,787,994	84,196,013				84,196,013
Interest Income	878,000	528,000				528,000
Other Local Income	2,431,586	2,672,079	15,000			2,687,079
State:	133,383,459	117,328,186				117,328,186
Federal:	20,132,664	28,724,800	(2,582,398)			26,142,402
Other Sources:	0	202,697				202,697
Total Revenues	241,613,703	233,651,775	(2,567,398)	0		231,084,377
Expenditures:						
11 Instruction	126,586,945	125,962,518		(179,156)		125,783,362
12 Inst. Res. & Media Services	3,568,402	3,437,050		1,101		3,438,151
13 Curriculum Dev. & Inst. Staff Dev.	4,557,240	4,815,331		22,289		4,837,620
21 Inst. Leadership	3,450,687	3,308,022		(22,221)		3,285,801
23 School Leadership	13,393,257	13,332,370		5,559		13,337,929
31 Guid., Counseling & Eval. Ser.	9,820,599	9,942,352		49,737		9,992,089
32 Social Work Services	1,957,232	2,068,755		1,350		2,070,105
33 Health Services	2,885,127	3,050,858		(6,529)		3,044,329
34 Student (Pupil) Trans.	4,049,716	4,524,638		(6,000)		4,518,638
35 Food Services	17,265,197	19,119,670	439,500			19,559,170
36 Curricular/Extracurricular Act.	9,738,355	10,161,289	15,000	139,653		10,315,942
41 General Administration	8,043,476	8,648,092		(180)		8,647,912
51 Plant Maint. & Operations	20,349,685	26,501,862	(818,699)	(27,290)		25,655,873
52 Security and Monitoring Serv.	4,415,229	5,511,427		200		5,511,627
53 Data Processing Services	4,429,511	6,433,349		(2,802)		6,430,547
61 Community Services	36,710	96,491		(1,164)		95,327
71 Debt Service	5,905,151	9,400,727	(2,203,199)			7,197,528
81 Fac. Acquisition & Const.	6,000	3,685,756		14,896		3,700,652
95 Pmt. to Juv. Justice Alt. Ed. Prg.	40,000	40,000				40,000
99 Other Intergovernmental Charges	939,270	939,270				939,270
Other Uses	85,000	123,223		10,557		133,780
Total Expenditures	241,522,789	261,103,050	(2,567,398)	0		258,535,652
		169				
Preliminary Ending Fund Balance	107,685,911	80,143,722	0	0		80,143,722

GENERAL FUND
Revisions

REVENUES:

Local			
Other Local Income	- Increase to Ticket Sales for Fund 183 Athletics	<u>\$ 15,000</u>	15,000
Federal			
	- Supply Chain Assistance Grant for Fund 101 Food Service	\$ 439,500	
	- Reclass Emergency Connectivity Fund (ECF) Reimbursement to Fund 289 Federally Funded Special Revenue Fund	<u>(3,021,898)</u>	(2,582,398)
	Grand Total		<u><u>\$ (2,567,398)</u></u>

EXPENDITURES:

Function 35	- Increase to Food for Supply Chain Assistance Grant for Fund 101 Food Service	<u>\$ 439,500</u>	439,500
Function 36	- Increase to Miscellaneous Operating Cost for Golf Fees for Fund 183 Athletics	<u>\$ 15,000</u>	15,000
Function 51	- Reclass Emergency Connectivity Fund (ECF) Reimbursement to Fund 289 Federally Funded Special Revenue Fund	<u>\$ (818,699)</u>	(818,699)
Function 71	- Reclass Emergency Connectivity Fund (ECF) Reimbursement to Fund 289 Federally Funded Special Revenue Fund	<u>\$ (2,203,199)</u>	(2,203,199)
	Grand Total		<u><u>\$ (2,567,398)</u></u>

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBJECT: Approval of Travel for Board of Trustees

REFERENCE: Goal 2: People Development

BACKGROUND INFORMATION/REASON FOR BOARD CONSIDERATION:

Policy requires Board Members to submit travel requests to the Board in advance when practical. The Board plans to attend the H.E.B. Excellence in Education Awards Celebration April 27-30, 2022, in Austin, Texas and the Region One School Board Association (ROSBA) Annual Conference, May 20-21, 2021, in South Padre Island, Texas.

- H.E.B Excellence in Education Awards Celebration
April 27-30, 2022 Austin, Texas

- ROSBA Annual Conference
May 20-21, 2022 South Padre Island, Texas

ADMINISTRATIVE CONSIDERATIONS/FACTS AND ANALYSIS:

The Board of Trustees will report on the following trip(s):

LEGAL REVIEW:

None

BUDGETARY CONSIDERATIONS:

Funds for this trip have been allocated through the Board of Trustees' Budget.

RECOMMENDED BOARD ACTION:

That the Board of Trustees approve the travel request for Board of Trustees to attend the H.E.B. Excellence in Education Awards Celebration April 30, 2022, in Austin, Texas and the Region One School Board Association (ROSBA) Annual Conference, May 20-21, 2022, in South Padre Island, Texas.

SUBMITTED BY: *Natalia Goza*

For further information contact:

Name: Natalia Goza

Office: (956) 618-6094

Email: natalie.goza@mcallsisd.net

SUPERVISOR: *Sam Saldivar, Jr.*
Sam Saldivar, Jr. (Apr 5, 2022 15:40 CDT)

Approved for presentation to the Board of Education:

J. X. Langley

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Superintendent of Schools

Apr 5, 2022

**BOARD AGENDA REPORT
MCALLEN INDEPENDENT SCHOOL DISTRICT**

MEETING DATE: April 11, 2022

SUBJECT: Approval of Board of Education Meeting Minutes

REFERENCE: N/A

BACKGROUND INFORMATION/REASON FOR BOARD CONSIDERATION:

The minutes for each meeting of the Board of Education are traditionally brought to the Board for approval. After approval, the minutes become the Official Record of Board Action.

ADMINISTRATIVE CONSIDERATIONS/FACTS AND ANALYSIS:

The Administration asks that the Board of Education consider approval of the attached minutes.

LEGAL REVIEW: None

BUDGETARY CONSIDERATIONS: None

RECOMMENDED BOARD ACTION:

That the Board approve the minutes of the following meeting(s):

Regular Board Meeting - March 21, 2022 - 5:00 P.M.
Special Board Meeting - March 28, 2022 - 5:00 P.M.
Board Workshop - April 4, 2022 - 5:30 P.M.

SUBMITTED BY: *Natalia Goza*

For further information contact:

Name: Natalia Goza

Office: 956-618-6094

eMail: natalie.goza@mcallenisd.net

SUPERVISOR: *Sam Saldivar, Jr.*
Sam Saldivar, Jr. (Apr 6, 2022 13:10 CDT)

Approved for presentation to the Board of Education:

J. Adansky

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Superintendent of Schools

Apr 6, 2022