

**WEBB COUNTY
CAA SELF-HELP CENTER
*NEW CONSTRUCTION CONTRACT***

This contract is entered into between Maria Cruz, hereinafter referred to as the "Owner" and Habitat for Humanity of Laredo, Inc., hereinafter referred to as the "Contractor". The Owner is the recipient of a New Construction Home Loan. This contract is termed Contract number SHC-7216013.

WITNESSETH THAT:

Whereas, the Owner desires to engage the contractor to perform certain work on Owner premises located at 620 Riverhill Loop, Lot 1-A, Block 2, Unit VII, Riverhill Subdivision, Phase II, Laredo, Texas in Webb County, and;

Whereas, the Owner desires to construct, rehabilitate, reconstruct, and/or improve the said premises in accordance with the plans specifications and conditions set forth in Exhibits A and B attached hereto, and;

Whereas, insofar as this contract is concerned, the term "Contractor" shall mean the actual construction company selected to carry out all New Construction work, the term "Webb County" shall mean the Webb County Community Action Agency, and the term "Owner" shall mean the recipient of a New Construction Loan as indicated by their signature in this Contract.

NOW, THEREFORE, the parties do mutually agree as follows:

Section I.

Employment of Contractor: The Owner hereby engages the Contractor to perform the services and supply the materials hereinafter set forth in Exhibit B, attached and made part of this contract.

Section II.

Scope of Services: The Contractor shall perform all of the services and furnish all the materials necessary to make the improvements described in exhibit B.

Section III.

Standards: The improvements to be made and/or constructed by the Contractor are set forth in Exhibit B and such work shall conform to the standards and conditions set out in exhibit A, attached and made part of this Contract.

Section IV.

Time of Performance: The Contractor shall, within 10 calendar days from the date of the *Order to Proceed*, begin actual performance hereunder and all work to be performed by the Contract shall be completed in accordance with the plans, specifications and conditions within 90 calendar days thereafter.

Section V.

Subcontracting: The Contractor agrees that he is as fully responsible to the Owner for the acts and omissions of his subcontractors and of any person either directly or indirectly employed by him. Nothing contained in this Contract shall create any contractual relationship between any subcontractor and the Owner.

Section VI.

Insurance: The Contractor shall maintain Contractor's Public Liability and Property Damage Insurance during the term of the contract, and must provide proof of such insurance before the contract is awarded. Furthermore, the contractor hereby indemnifies and holds harmless the County of Webb and its employees and representatives from all liability and property damage, sickness or disease, or contractor's performance under this contract.

Section VII.

Permits and Licenses: All permits and licenses necessary for the execution and completion of the work shall be secured and paid for by the Contractor, including all mandatory inspections/permits required by Local, Federal and State Agencies.

Section VIII.

Affirmative Action: The Webb County Community Action Agency Department to the greatest extent feasible will require each applicant, recipient, contractor or subcontractor, pursuant to Section 3 of the Housing and Urban Development Act of 1968 (12 USC 170 LU), as amended, to offer employment opportunities to lower income residents of the project area, and that contracts for work or materials in connection with the project, to the greatest extent feasible, be awarded to minority owned businesses in the project area which are owned or substantially owned by persons residing in the project area.

Section IX.

Amendment: No change may be made to this contract except by an amendment signed by both parties. In no event shall any change in this Contract be made without the written consent of Webb County.

Section X.

Compensation: the Owner agrees to pay the Contractor the sum of Fifty thousand dollars (\$ 50,000.00) for the labor, services and materials to be provided herein.

Section XI.

Method of Payment: The Owner agrees to pay the Contractor in accordance with either of the following schedules:

- A. Payment in full upon satisfactory completion of entire work, less a 10% retainage of the total contract amount to be paid to contractor 30 days after final inspection and acceptance of the certificate of completion or;
- B. Four (4) or less progress payments and one final retainer payment will be accepted. Progress payments will be based on the percentage of completion of acceptable work and proper installation of materials as certified by the Webb County SHC Construction Coordinator. A progress payment shall not be for less than 20% (twenty percent) of the total construction/reconstruction cost. Final payment will be made upon satisfactory completion of all construction / reconstruction work and proper installation of all materials as specified in the plans, specifications and conditions incorporated into this Contract as Exhibit A and B, less a 10% retainer of the total contract amount to be paid to contractor thirty (30) days after final inspection and acceptance of the certificate of completion. Should any of the progress inspections fail and a second inspection is needed to authorize payment of percentage completed, the contractor will be charged one hundred dollars (\$100.00) per extra inspection resulting from failed inspections.

All payments are subject to satisfactory intermediate and final inspections by Webb County. Moreover, Webb County must complete the applicable Certificate of Completion before each payment. If Webb County and Owner deem it expedient to accept work done at variance with plans and specifications of the contract, an equitable deduction from the contract amount, based solely upon judgement of Webb County shall be made therefrom.

Retainage: Ten percent (10%) of the contract price shall be retained for thirty (30) days after completion to serve as security for any corrective action against defective work or use of improper materials. If defects or deficiencies are found, the Contractor shall be notified of it and shall be required to take prompt appropriate corrective measures.

Payment Authorization: The signature of Owner, Contractor and representative of Webb County shall be required on all authorizations for payment. However, the requirement of signature of Owner may be waived in either of the following two circumstances:

1. Webb County Construction Coordinator has found all work to be acceptable, and the Owner does not comprehend work acceptability; or
2. Owner has either left the city or cannot be located due to failure to notify Webb County of his current address.

Section XIII.

Workmanship: The work to be done by the Contractor shall be executed as specified in the plans, specifications, and conditions and performed in a good and workmanlike manner. All materials used in the construction, rehabilitation, renovation and improvements of the premises shall be new unless otherwise expressly set forth in the specifications.

Section XIV.

Workmanship and Materials Guarantees: the Contractor shall guarantee the work performed for a period of 30 days from the date of final acceptance of all work required by the Contract. Any defects that appear within these (30) days and arise out of defective or improper materials or workmanship shall be corrected and made good by the Contractor at **contractor's expense**. Defects due to negligence on the Owner's part shall not be covered. Additionally, electrical, plumbing and roofing shall be guaranteed for a period of one (1) year from the date of final acceptance of all work. Contractor agrees that Webb County shall make determination of defect.

Section XV.

Inspection of Work: Webb County shall be provided with accessibility to all work areas at all times. Inspections by Webb County shall be promptly made. If any work should be covered up without approval or consent of Webb County, it must, if required by Webb County, be uncovered for examination at the **Contractor's expense**. The owner agrees to provide access to any duly authorized representative of Webb County for the purpose of inspections, payment requisition signatures from the Owner, or for any purpose related to the rehabilitation of the dwelling unit.

Section XVI.

Disputes: In the events of any disputes relating to the program, the work quality or relating to interpretation of this Contract, the parties shall refer the dispute to Webb County for resolution.

Section XVII.

Non-liability of Webb County: the parties hereto agree to hold Webb County harmless from any claim or damages arising out of the undertaking and execution of this contract between the contractor and the owner.

Section XVIII.

Default: In case of any default by the contractor, the Owner and Webb County shall jointly determine whether to continue under the Contract or to terminate it.

NOTE: Contractor is in default if rehabilitation work is not completed as specified in this Contract within the allotted time period as provided in Section 5 herein above. The Webb County Community Action Agency and the Owner will determine if the delays were acceptable and honor an extension or if reasons are unacceptable, the Contractor will be assessed one hundred (\$100.00) dollars per day until all work is completed or contract between the Contractor and Owner is terminated.

Section XIX.

Termination: Any of the following is a material breach and is a grounds for termination of this contract:

1. Failure of the contractor to proceed with the contract work assigned to him within (10) days having received the Notice to Proceed.
2. Failure of the contractor to attend to the work required for ten (10) consecutive working days constitutes abandonment of the work.
3. Failure of the Contractor to perform in accordance with this contract and its plans, specifications and conditions as contained in Exhibits A and B. In the event that there is a conflict between any provisions of this Contract and its Exhibits, the Webb County Community Action Agency shall determine the appropriate procedures to be followed.
4. Failure of the contractor to complete the work as specified in this Contract within the allotted time period as provided in Section V herein above.

NOTE: The Webb Community Action Agency shall have the option to extend the period for contract completion when it makes a determination that such extension is necessary. Possible circumstances permitting the extension of said contract are as follows:

- a. The original period of work schedule for said contract is determined to be unreasonable.
- b. The start-up time for the contract in question was erroneous and a later contract start-up time was actually approved by Owner and Webb County.
- c. Inclement weather prevents production for a substantial period during the contract.
- d. Failure of the Contractor to correct poor workmanship or deficiencies in the Workmanship as unidentified by the owner or the Webb County Community Action Agency. In the event that there is a disagreement concerning a deficiency, the Webb County Community Action Agency shall make the determination of acceptability.
- e. Failure on the part of either the contractor or the Owner to continue with the work in a professional and considerate manner. Problems related to the contractor-owner relationship that result in the inability of the contractor to continue with the Contract will be evaluated and a determination will be made by the Webb County Community Action Agency whether termination of Contract is warranted.

Section XX.

Procedures on Termination: in the event that a Contract termination is warranted, the following procedures shall be adhered to;

1. The Webb County Community Action Agency on behalf of the Owner shall give the Contractor written notice of termination.
2. If the contract has been terminated, the Owner, in conjunction with the Webb County Community Action Agency, will proceed to re-contract to have the work completed. Any costs involved in the completion of the work shall be paid for from remaining funds owed to the original Contractor at date of termination from the original contract. The Contractor in default, shall be responsible for any damages resulting to the Owner by reason of said, default, including any additional costs incurred in having the work re-contracted to, or completed by, others.

Section XXI.

Notice: Notices given by the owner and or Webb County to the Contractor shall be considered given for the purpose of this Contract if mailed by regular mail or delivered in person to the Contractor at the following address:

Company Name: Habitat for Humanity of Laredo, Inc.
Contractor's Name: Carol Sherwood
Address: 4703 Warehouse Lane, Laredo, Texas 78041
Secondary Address: P.O. Box 440709
Contact Number: (956) 724-3227
Secondary Contact Person: N/A

Section XXII.

No Assignment: The contractor shall not assign the Contract unless he obtains written consent from the Owner and Webb County

Section XXIII.

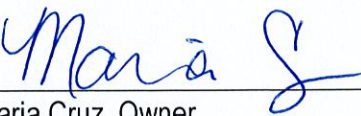
General Provisions:

1. This Contract and its exhibits embody the entire agreement of the parties.
2. The Contractor agrees to perform the work required by this Contract in an occupied residence, and the Owner agrees that neither he or any household members, tenants, agents, or employees, will hinder or delay the Contractor's work.
3. Lead-based paint will not be used in the rehabilitation of any structure.
4. The parties further state that to the best of their knowledge, no member of the Webb County Commissioners Court, or the Webb County Community Action Agency, and no other officer, employee, or agent of said authority who exercises any functions or responsibilities in connection with the carrying out of the project to which this Contract pertains, has any interest, personal or financial, direct or indirect, in this Contract.


Section XXIV.

Effective Date of contract: This Contract is binding upon parties on date of signatures and actual performance shall begin within ten (10) days of date of the Order to Proceed by Webb County.

Signed this 19th day of September 2019.



Maria Cruz, Owner



Carol S. Sherwood,
Habitat for Humainty of Laredo, Inc.

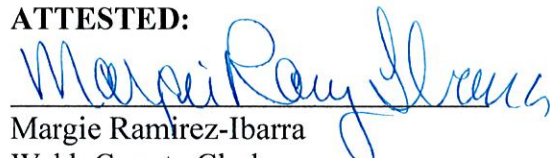


Tano E. Tijerina
Webb County Judge

ATTCHMENTS:


Exhibit A: Plans and Specifications for the work to be done under this Contract.

ATTESTED:


Margie Ramirez-Ibarra
Webb County Clerk



APPROVED AS TO FORM:


Ray Rodriguez
Assistant General Counsel
Webb County Civil Legal Division*

*The General Counsel, Civil Legal Division's office, may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal document on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval of their own respective attorney(s).

Passed and approved by the Webb County Commissioners Court
On November 14, 2016; item no. 11b.