



Public Utility Commission of Texas
Business Unit # 47300
Purchase Order # 19-0000277

Payment Terms: **NET30** Freight Terms: **FOB Shipping** Ship Via: **US MAIL** PCC: **0** Date: **12/17/18** PO Method: **IA** Dispatch: **Dispatch** Rev Dt:
Via Email

PLEASE NOTE: ADDITIONAL TERMS AND CONDITIONS MAY BE LISTED AT THE END OF THE PURCHASE ORDER.

Vendor: TEXAS FACILITIES COMMISSION
 PO BOX 13047
 AUSTIN TX 787113047
 United States

Ship To: 0001 - PUBLIC UTILITY COMMISSION O
 SUITE 8-100
 1701 N CONGRESS AVENUE
 Austin TX 78701
 United States

Vendor ID: 3303303303 7

Purchaser: Pablo Almaraz

Phone: 512/936-7069

Fax: 512/936-7058

Email: pablo.almaraz@puc.texas.gov

Bill To: PUBLIC UTILITY COMMISSION OF
 TEXAS
 Attn: Accounts Payable
 P.O. Box 13326
 Austin TX 78711-3326
 United States

Fax:
Email: payables@puc.texas.gov

PO Information:

8TH FLOOR OFFICE CONSTRUCTION
 BY THE REQUEST OF THE EXECUTIVE DIRECTOR
 PLEASE REVIEW THE ATTACHMENTS FOR ADDITIONAL INFORMATION

PER TFC AND PUC MLA WORK ORDER NO. 664458/PORTAL REQUEST NO. 20999 DATED: 12/17/18

Inter-agency Contracts: TEX. GOVT CODE ANN. §§ 771.001-771.010

Line-Sch	Line Description	Class/Item	Quantity	UOM	Unit Price	Extended Amt	Due Date
1- 1	8TH FLOOR OFFICE CONSTRUCTION	909/22	1.0000	EA	\$49,836.00000	\$49,836.00	12/17/2018
						Schedule Total	\$49,836.00
						ReqID: REQ0003415	
						Item Total for Line # 1	\$49,836.00
						Total PO Amount	\$49,836.00

All Shipments, Shipping papers, invoices and correspondence must be identified with our Purchase Order Number. Over shipments will not be accepted unless authorized by Purchaser prior to Shipment.

Authorized Signature

Pablo Almaraz, CTPM

12/17/2018



Public Utility Commission of Texas
Business Unit # 47300
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GENERAL TERMS AND CONDITIONS ITEMS BELOW APPLY TO AND BECOME A PART OF ANY PUBLIC UTILITY COMMISSION OF TEXAS (PUCT) SOLICITATION DOCUMENT OR PURCHASE ORDER (PO). ANY EXCEPTIONS THERETO MUST BE IN WRITING. 1. BIDDING/OFFER/PROPOSAL REQUIREMENTS: 1.1 Vendors/contractors must comply with all rules, regulations and statutes relating to purchasing in the State of Texas in addition to the requirements of this form. 1.2 Vendors/contractors must price per unit shown. Unit prices shall govern in the event of extension errors. 1.3 Solicitation responses should be submitted on this form and will not be accepted if modified onto or in vendors/contractors format. Solicitation responses must be returned to allow them to be time stamped at the Public Utility Commission of Texas on or before the hour and date specified for the solicitation opening. 1.4 Late and/or unsigned solicitation responses will not be considered under any circumstances. Person signing solicitation must have the authority to bind the firm in a contract. 1.5 Quote F.O.B. destination, freight prepaid and allowed unless otherwise stated in the solicitation. 1.6 Solicitation prices are requested to be firm for PUCT acceptance for 30 days from solicitation opening date. "Discount from list" bids are not acceptable unless requested. Cash discounts are not considered in determining an award. Cash discounts offered will be taken if earned. 1.7 Vendor/contractor should enter Texas Identification Number System (T.I.N.S.) number, full vendor name and address of bidder on the face of this form. Enter in the space provided, if not shown. Additionally, vendor name should appear on each continuation page of a bid. 1.8 Solicitation cannot be altered or amended after opening time unless allowed by law. Alterations made before opening time should be in writing by the vendor or his authorized agent. No solicitation can be withdrawn after opening time without approval by the PUCT based on an acceptable written reason. 1.9 Purchases made for State use are exempt from the State Sales tax and Federal Excise tax. Do not include tax in bid. Excise Tax Exemption. Certificates are available upon request. 1.10 The State reserves the right to accept or reject all or any part of any solicitation, waive minor technicalities and award the solicitation to best serve the interests of the state. 1.11 Consistent and continued tie bids/offers could cause rejection of solicitation by the PUCT and/or investigation of the State. 1.12 The telephone number for FAX submission of bids is 1-512-936-7058. This is the only number that will be used for the receipt of bids/offers. The State shall not be responsible for failure of electronic equipment or operator error. Late, illegible, incomplete, or otherwise non-responsive bids will not be considered. 1.13 Any contract resulting from this solicitation is contingent upon the continued availability of appropriations by the Texas Legislature. 2. SPECIFICATION: 2.1 Catalogs, brand names or manufacturer's references are descriptive only, and indicate type and quality desired. Solicitation responses on brands of like nature and quality will be considered unless advertised under Government Code, Title 10, Subtitle D, §.2155.067. If bidding/offering/ proposing other than referenced items, vendor/contractor should show manufacturer, brand or trade name, and other description of product offered. If other than brand(s) specified is offered, illustrations and a complete description of the product offered are requested to be made part of the bid/offer. By not taking exception to specifications or reference data will require vendor/contractor to furnish specified brand names, numbers, etc. 2.2 Unless otherwise specified, items bid/offered/ proposed shall be new and unused and of current production. 2.3 All electrical items must meet all applicable OSHA standards and regulations, and bear the appropriate listing from UL, FMRC or NEMA. 2.4 Samples, when requested, must be furnished free of expense to the State. If not destroyed during examination, they will be returned to the vendor on request at vendor's expense. Each sample should be marked with vendors name and address and PO number. Do not enclose in or attach bid/offer to sample. 2.5 The State will not be bound by any oral statement or representation contrary to the written specifications. 2.6 Manufacturer's standard warranty shall apply unless otherwise stated. 2.7 Technology Access Clause Vendor/contractor expressly acknowledges that state funds may not be expended in connection with the purchase of an automated information system unless that system meets certain statutory requirements relating to accessibility by persons with visual impairments. Accordingly, the vendor/contractor represents and warrants to the PUCT that the technology provided to the PUCT for purchase is capable, either by virtue of features included within the technology or because it is readily adaptable by use with other technology of: (a) providing equivalent access for effective use by both visual and non-visual means; (b) presenting information, including prompts used for interactive communications, in formats intended for non-visual use; and (c) being integrated into networks for obtaining, retrieving and disseminating information used by individuals who are not blind or visually impaired. For purposes of this paragraph, the phrase "equivalent access" means a substantially similar ability to communicate with or make use of the technology, either directly by features incorporated within the technology or by other reasonable means such as assertive devices or services which would constitute reasonable accommodations under the Americans with Disabilities Act or similar state or federal laws. Examples of methods by which equivalent access may be provided include, but are not limited to, keyboard alternatives to mouse commands and other means of navigating graphical displays, and customizable display appearance. This requirement applies to all contracts that involve the purchase of an automated information system, with out regard to: (i) the source of funds used to make the purchase; (ii) whether the purchase is made under delegated purchasing authority; or (iii) whether the purchase is made under the authority of the Texas Government Code, Title 10, Subtitle D, or other law. (d) This section does not apply to the purchase of a wireless communications device to be used by peace officers, firefighters, and other emergency response personnel to respond to a public safety emergency. 3. TIE BIDS: Awards will be made in accordance with 1 TAC §113.6 (b) (3) and 113.8 (preferences). 4. DELIVERY: 4.1 Show number of days required to deliver material to the receiving agency's designated location under normal conditions. By not stating a delivery time, Vendor/contractor is obligated to deliver in 14 calendar days. Unrealistic delivery promised may cause bid/offer to be disregarded. 4.2 If delay is foreseen, vendor/contractor shall give written notice to PUCT. Vendor must keep PUCT advised at all times of status of order. Default in promised delivery (without accepted reasons) or failure to meet specifications authorizes PUCT to purchase goods or services elsewhere and charge full increase, if any, in cost and handling to defaulting vendor. 4.3 No substitutions permitted without written approval of PUCT or the Comptroller of Public Accounts. 4.4 Delivery shall be made during normal working hours only, unless prior approval has been obtained from PUCT. 5. INSPECTION AND TESTS: All goods will be subject to inspection and test by the State. Authorized personnel shall have access to supplier's place of business for the purpose of inspecting merchandise. Tests shall be performed on samples submitted with the solicitation or on samples taken from regular shipment. All costs shall be borne by the vendor in the event products tested fail to meet or exceed all conditions and requirements of the specification. Goods delivered and rejected in whole or in part may, at the State's option, be returned to the vendor or held for disposition at vendor's expense. Latent defects may result in revocation of acceptance. 6. AWARD OF CONTRACT: A response to the solicitation or PO is an offer to contract based upon the terms, conditions and specifications contained herein. Bids/offers do not become contracts until they are accepted through a PO. The contract shall be governed, construed and interpreted under the laws of the State of Texas. The factors listed in Texas Government Code, Title 10, Subtitle D, § 2155.074 2156.007 shall also be considered in making an award. 7. PAYMENT: Vendor shall submit two copies of an itemized invoice showing order number on all copies. The State will incur no penalty for late payment if payment is made in 30 or fewer days from receipt of goods or services and an uncontested invoice. 8. PATENTS OR COPYRIGHTS: The vendor agrees to protect the State from claims involving infringement of patents or copyrights. 9. ASSIGNMENTS: Vendor/contractor hereby assigns to PUCT any and all claims for overcharges associated with this contract arising under the antitrust laws of the United States 15 U.S.C.A § 1, et seq., and the antitrust laws of the State of Texas, Tex. Bus. Comm. Code Ann. §15.01. et seq. 10. BIDDER VENDOR AFFIRMATION: Signing the solicitation with a false statement is a material breach of contract and shall void the submitted bid/offer or any resulting contracts, and the vendor shall be removed from all bid lists. By signature here on affixed. The vendor hereby certifies that: 10.1 The vendor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted bid/offer. 10.2 Neither the vendor nor the firm, corporation, partnership, or institution represented by the vendor/contractor, or anyone acting for such firm, corporation or institution has violated the antitrust laws of this State Federal Antitrust Laws, (see Section 9, above) nor communicated directly or indirectly the bid/offer/proposal made to any competitor or any other person engaged in such line of business. 10.3 Pursuant to Texas Government Code, Title 10, Subtitle D, § 2155.004(a), the vendor/contractor has not received compensation for participation in the preparation of the specifications for this solicitation. 10.4 Pursuant to Texas Family Code, Title 5, Subtitle D, § 231.006(d), regarding child support, the vendor/contractor certifies that the individual or business entity named in this bid/offer/PO is not ineligible to receive the specified payment and

Authorized Signature

Pablo Alvarez, CTAM

12/17/2018



Public Utility Commission of Texas
Business Unit # 47300
Purchase Order # 19-0000277

acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate. 10.5 Pursuant to Texas Government Code, Title 10, Subtitle D, § 2155.004(b) the vendor/contractor certifies that the individual or business entity named in this solicitation is not ineligible to receive the specified payment and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate. 10.6 INDEMNITY: The vendor/contractor shall defend, indemnify, and hold harmless the State of Texas, all of its officers, agents and employees from and against all claims, actions, suits, demands, proceedings costs, damages, and liabilities, arising out of, connected with, or resulting from any acts or omissions of vendor/contractor or any agent, employee, subcontractor, or supplier of vendor/contractor in the execution or performance of this PO/contract. 10.7 Vendor/contractor agrees that any payments due under this contract will be applied towards any debt, including but not limited to delinquent taxes and child support, that is owed to the State of Texas. 10.8 Vendor/contractor certifies that they are in compliance with Texas Government Code, Title 6, Subtitle 8, § 669.003 of the Government Code, relating to contracting with executive head of a State agency. If Section 669.003 applies, vendor will complete the following information in order for the bid/offer/proposal to be evaluated: Name of Former Executive: _____ Name of State Agency: _____ Date of Separation from State Agency: _____ Position with Vendor/Contractor: _____ Date of Employment with Vendor/Contractor: _____ 10.9 Vendor/contractor agrees to comply with Texas Government Code, Title 10, Subtitle D, § 2155.4441 relating to use of service contracts for products produced in 10.10 By signing this bid/offer vendor/contractor certifies that if a Texas address is shown as the address of the vendor/contractor, vendor/contractor qualifies as a Texas Resident Bidder/Offerer/ Proposer as defined in Texas Administrative Code, Title 1, Part 5, Chapter 111, Subchapter A, §111.2(1 0). 10.11 STATE AUDIT: The vendor/contractor understands that acceptance of funds under this Contract PO acts as acceptance of the authority of the State Auditor's Office, or any successor agency, to conduct an audit, or investigation, in connection with those funds. Vendor/contractor further agrees to cooperate fully with the State Auditor's Office, or its successor in the conduct of the audit or investigation, including providing all records requested. Vendor/contractor will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through vendor/contractor and the requirement to cooperate is included in any subcontract it awards. Texas Government Code, Title 10, Subtitle D, § 2262.003. 11. OWNERSHIP DISCLOSURE: Pursuant to Section 231.006 (c) Family Code, a solicitation response must include names and Social Security Numbers of each person with at least 25% ownership of the business entity submitting the response. 12. NOTE TO BIDDER/ OFFERER/ PROPOSER: The State of Texas Purchase Order, and its General Terms and Conditions, shall constitute a contract between PUCT and the selected/ awarded vendor. Any terms and conditions attached to a solicitation response will not be considered unless specifically referred to in the response. PUCT may elect to execute the referenced terms and conditions provided by the vendor (vendor contract) which shall supplement the purchase order. However, PUCT will not execute a vendor contract with unacceptable, vague, or conflicting terms and may result in disqualification of the bid/ offer/ or proposal. In the event of a conflict between the PO and any executed vendor contract, the PUCT PO shall prevail. 13. DISPUTE: Pursuant to Chapter 2260 of the Texas Government Code, any dispute arising under a contract/PO for goods and services, for which this chapter applies must be resolved under the provisions of this chapter. PUCT Protest Procedures will be provided upon request. 14. TEXAS PUBLIC INFORMATION ACT AND CONFIDENTIAL INFORMATION: Information, documents and other material connected with this solicitation or any resulting contract may be subject to public disclosure under the Texas Public Information Act unless vendor/contractor can show the response or specific parts of it are exempt from public disclosure. PUCT will not assert legal arguments on behalf of vendors/contractors. If the vendor/contractor believes that parts of a response to this solicitation are confidential, he must state in conspicuous letters the term "CONFIDENTIAL" on that part it believes to be confidential. 15. CANCELLATION: Unless otherwise specified in the solicitation, PUCT may cancel the purchase order without penalty, either in whole or in part for any reason. 16. STATE LAWS: The resulting contract/PO shall be governed by and in accordance with the laws of the State of Texas. Venue for any action arising hereunder shall be in Travis County, Texas. 17. CONSTRUCTION: The invalidity or unenforceability of any provision of the contract shall not affect the validity or enforceability of any other provision. Neither party may assign the contract without the prior written consent of the other party. Any amendment or modification will be effective only if in writing and signed by PUCT. 18. DISCRETIONARY EXTENSION: Contracts for services, whose original period were for one year or longer, may be extended for up to ninety (90) days beyond the normal expiration date of the contract, under substantially the same terms and conditions, provided the vendor/ contractor and the PUCT mutually agree to extension and pricing during the extension period. 19. FORCE MAJEURE: PUCT may grant relief from performance to the extent performance is delayed or damaged beyond the reasonable control of the affected party which could not, by due diligence, have avoided. Such causes include ,but are not limited to, Acts of God, severe weather, explosions, riots, acts of war, labor strike, or orders of legal authority

Authorized Signature

Pablo Alvarez, CTAM

12/17/2018

**MAINTENANCE LETTER AGREEMENT
BETWEEN
THE TEXAS FACILITIES COMMISSION
AND THE
PUBLIC UTILITY COMMISSION OF TEXAS (473)**

WHEREAS, the Texas Facilities Commission (TFC) is the State agency with a primary responsibility for maintenance and repair of State buildings, grounds, and property; and

WHEREAS, the Public Utility Commission of Texas (PUC) has requested the TFC provide an estimate for a proposed project through Work Order No. 664458 / Portal Request No. 20999 and TFC has reviewed the request and proposes a preliminary estimated budgetary amount of Forty-Nine Thousand Eight Hundred Thirty-Six and 00/00 Dollars (\$49,836.00).

NOW, THEREFORE, pursuant to the Interagency Cooperation Act, Chapter 771, Texas Government Code, and in consideration of the mutual agreements contained herein, the parties agree as follows:

1. The proposed amount of the project requested under Work Order No. 664458 / Portal Request No. 20999 is Forty-Nine Thousand Eight Hundred Thirty-Six and 00/00 Dollars (\$49,836.00); and is as further described on the detailed budget attached hereto and incorporated herein as Attachment A. The proposed amount is based on information provided to TFC by PUC and shall remain valid for a period of thirty (30) days from the date of Texas Facilities Commission's letter, December 14, 2018. Failure to approve this work order estimate within thirty (30) days shall render this estimated budget amount null and void and will result in the work order being closed.
2. If the work order estimate provided above is under Fifty Thousand and No/100 Dollars (\$50,000.00), then this letter agreement may serve as the agreement between the parties, upon execution by Texas Facilities Commission, to move forward with the project. If the estimate provided is over Fifty Thousand and No/100 Dollars (\$50,000.00), then execution of an interagency cooperation contract between the parties shall be required; however, Public Utility Commission of Texas may request the issuance of an interagency cooperation contract for work proposed under Fifty Thousand and No/100 Dollars (\$50,000.00).
3. Expenses will be based on the actual costs of the work for the Project. Services may include but not be limited to services required for research, pricing, estimate gathering, construction document development, and bid monitoring, coordination and evaluation services commenced by TFC as of the date of submission of this portal request. In addition, if the scope of work changes upon agreement by TFC and PUC, the estimated budget amount may change. An Interagency Transaction Voucher or Invoice (ITV) for the completed services will be prepared by TFC and PUC shall reimburse TFC within thirty (30) days from receipt of ITV or invoice.
4. Pursuant to Rider 15 entitled *Capital Construction on Behalf of State Agencies* for TFC found in the GAA, Acts 2017, S.B. 1, 85th Leg., R.S., art. I (Facilities Commission), any capital items related to construction of buildings and facilities including minor construction projects greater than \$250,000 performed by TFC on behalf of other state agencies do not apply to TFC for the purpose of the capital budget rider limitations specified in the GAA, Acts 2017, S.B. 1, 85th Leg., R.S., art. IX, sec. 14.03. By signing this Contract, Public Utility Commission certifies it has the requisite capital budget authority to fund the services to be provided under this Contract.

This letter agreement shall be effective upon execution by TFC, and it shall continue in effect until completion of the Project. If the work proposed is over Fifty Thousand and No/100 Dollars (\$50,000.00), an interagency cooperation contract between the parties shall be drafted by TFC and submitted to Public Utility Commission of Texas for execution.

PUBLIC UTILITY COMMISSION OF TEXAS

TEXAS FACILITIES COMMISSION

Pablo Almaraz
Date of Execution: 12/17/18



Craig Wingfield
Date of Execution: 12-18-2018

- Cc
- Rb
- Rk
- Cw
- Lr
- Nm

Attachment A - Estimate Summary

Portal #: 20999	Estimate Type: FINAL MLA	
Project: WBT 8th Floor (3) Offices	TFC Base Labor Rate: \$ 63.00 per hour	
Date: 12/17/2018	Overtime Labor Rate: \$ 73.00 per hour	
Ref Docs: 12/7/2018		

BUILDNG SUMMARY	TFC Labor		Material	Subcontract	TOTAL
	HR	Cost			
In-House Carpentry	176	\$ 11,088	\$ 4,349	\$ -	\$ 15,437
In-House Painter	64	\$ 4,032	\$ 369	\$ -	\$ 4,401
Openings - Doors & Glass	0	\$ -	\$ 2,737	\$ -	\$ 2,737
Fire Alarm & Sprinkler	2	\$ 126	\$ -	\$ 1,440	\$ 1,566
HVAC	0	\$ -	\$ -	\$ 1,358	\$ 1,358
Electrical	96	\$ 6,048	\$ 2,504	\$ -	\$ 8,552
Communications	0	\$ -	\$ -	\$ 550	\$ 550
SUBTOTALS	338	\$ 21,294	\$ 9,959	\$ 3,348	

Notes:	TRADES SUBTOTAL	\$ 34,600
(a) Project Coordination is for construction-related: bidding; purchasing; planning; scheduling; and coordination of the various trades.	(a) Project Coordination	110 Hours x \$ 63.00 = \$ 6,930
(b) Project Contingency is for hidden conditions that are unforeseeable and that may arise over the course of construction.	(b) Project Contingency	20% = \$ 8,306
(c) Design Contingency is for yet-to-be-determined design changes that may be necessary to address code related issues and/or minor changes in project scope.	(c) Design Contingency	0% = \$ -
	CONSTRUCTION SUBTOTAL	\$ 49,836
(d - h) Accessible Path of Travel Corrections are required by TDLR any time a "Primary Function Space" is altered. The minimum cost established by TDLR is 20% of the Construction Subtotal. TDLR & RAS Fees Fees (if required) cover TDLR Project Registration, Variance Application, Document Review, and Construction Inspection.	(d-h) Accessible Path of Travel Corrections (% of Construction Subtotal + TDLR & RAS FEES)	0% = \$ -
	TOTAL COST OF CONSTRUCTION	\$ 49,836
(e) Professional Services Fee recovers TFC's costs for providing statutorily required professional architectural and engineering services.	(e) Professional Services Fee (% of Total Construction Cost)	0% = \$ -
	TOTAL PROJECT COST	\$ 49,836

Scope: Build (3) new offices per drawings dated 12/17/2018
 Build approximately (57 Lf.) of new walls under ceiling grid to create (3) offices
 Re-switch lights & add electrical outlets as noted on drawings
 Install (2) data only drops in each office
 Re-locate sprinklers & HVAC supply & return grills as needed
 Replace ceiling tiles as needed
 Float texture & paint new walls to match existing finishes

OK
 RIK
 12-14-18

Commissioners
William Allensworth
Steve Alvis
Patti C. Jones
Rigoberto Villarreal
C. Price Wagner



Executive Director
Mike Novak

Mailing address:
P. O. Box 13047
Austin, TX 78711-3047
(512) 463-3446
www.tfc.state.tx.us

December 14, 2018

Shawn Hazard
Public Utility Commission of Texas
William B. Travis Building
1701 N Congress
Austin, TX

Re: Per drawings dated 12/07/18 (build offices in lieu of cubicles, 8th floor, west side).

Dear Shawn Hazard,

Texas Facilities Commission's Minor Construction Department is in receipt of your Portal request 20999 as of November 15, 2018. Minor Construction is looking forward to working with you on your project. The estimated cost of the project will be **\$49,836.00**, see Attachment A.

Your Work Order Number for this project is 664458. We have an experienced team that will be devoted to providing you with a quality result. Following is information about the Minor Construction team member who will be working with you.

Ray Bates has been assigned as the Project Coordinator. Ray may be contacted by phone at 512-463-5420, by cell phone at 512-563-9343 or by e-mail at ray.bates@tfc.state.tx.us.

We've included a Maintenance Letter Agreement (MLA) for review and signature.

I trust the above information provides you with the contacts you may need when making any inquiries during this project. Please feel free to contact me directly as I am always interested in hearing from you and knowing about the quality of our work and performance. Upon review and approval, please have the original signed and return signed original to my attention at the agency address:

Texas Facilities Commission
Attn: Nathania Morehead
Minor Construction – Room 140
1711 San Jacinto Boulevard
Austin, Texas 78701

Or scan and send to my email: nathania.morehead@tfc.state.tx.us

Sincerely,

Nathania Morehead
Minor Construction
Tel: (512) 475-2461
Cell: (512) 851-7563
Fax: 512-236-6178

Texas Facilities Commission

Physical address: 1711 San Jacinto Blvd, Austin, Texas 78701

◆ ★ *Planning and administering facilities in service to the State of Texas* ★ ◆

Commissioners
William Allensworth
Steve Alvis
Patti C. Jones
Rigoberto "Rigo" Villarreal
C. Price Wagner



Executive Director
Mike Novak

Mailing address:
P. O. Box 13047
Austin, TX 78711-3047
(512) 463-3446
www.tfc.state.tx.us

Date 11/12/2018

Memorandum Re: Adjustments to Minor Construction Billing Rate

In June 2010, TFC's Project Support team was formed to work in concert with our Minor Construction group to improve our approach to engineering and architectural impacts resulting from our Client Agencies' remodeling requests. Over that 8 ½ year period, our labor rates have remained at or below \$65 per hour and statutorily required professional Architecture and Engineering services have been provided at no cost to our Client Agencies.

Minor Construction is a full cost recovery program. As such TFC is required to recover all costs associated with providing Minor Construction services. To address a 2018 internal audit finding, we recently performed an extensive analysis of our expenses and concluded that we must increase our billing rate and begin charging for our professional design services.

Effective December 1, 2018 our billing rate will be increased from \$63 per hour to \$93 per hour, and professional Architecture and Engineering services will be added as a flat fee equal to 10% of the total construction cost. These rates will apply only to projects with preliminary estimates issued on or after November 15, 2018 and Maintenance Letters of Agreement or Estimate Letters of Approval issued on or after December 1, 2018. Projects with estimates issued prior to those dates will be billed at the current billing rate of \$63 per hour with no charge for professional Architecture and Engineering services.

We will continue to provide all services as expeditiously as possible and minimize costs to our Client Agencies by providing only the services and scopes of work needed to address each project's programmatic and code requirements.

Kindest regards,

A handwritten signature in blue ink, appearing to read "C. Wingfield", with a long horizontal line extending to the right.

Craig D. Wingfield, AIA, CTCM
Director –Internal AEC Services (IAECS)

cc: John S. Raff, P.E. – Interim Executive Director
Kirk Kuykendall – Minor Construction Manager
Randy Wells, AIA – Project Support Manager