

**RESOLUTION No. 240514-03**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEONARD, FANNIN COUNTY, TEXAS, APPROVING THE FINAL PAY APPLICATION NUMBER 2 FOR \$28,726.80 TO CAPITAL UNDERGROUND UTILITIES RELATED TO PHASE I OF THE SEWER LINE REPLACEMENT CONTRACT, TO BE PAID FROM THE COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT CDV21-0040 FUNDS.**

**WHEREAS**, the City of Leonard (the “City”) is a General Type-A City in Fannin County, Texas, and has previously awarded the contract for Community Development Block Grant Project No. CDV21-0040, Phase I to Capital Underground Utilities. (“Contractor”); and

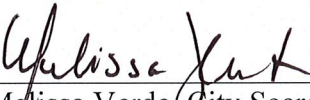
**WHEREAS**, the Contractor has satisfactorily completed a portion of the project, and a progress payment request has been made by the City Engineer, Kimley-Horn, Inc. over the project;

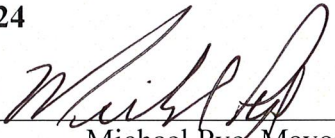
**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF LEONARD, TEXAS, THAT:**

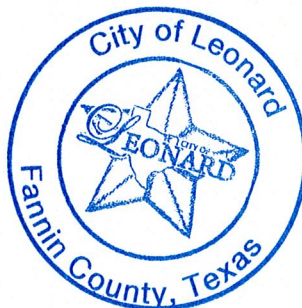
1. The City Council is hereby approving the payment to Capital Underground Utilities for \$28,726.80, and
2. The City accepts this portion of the work and close-out documents attached.
3. This resolution will be effective from the date of its passage.

**ADOPTED this 14<sup>th</sup> day of May 2024**

**ATTEST:**

  
Melissa Verde, City Secretary

  
Michael Pye, Mayor



APPLICATION AND CERTIFICATION FOR PAYMENT

TO OWNER:

City of Leonard  
111 W. Collin St.  
Leonard, TX 75452

FROM CONTRACTOR:

Capital Underground Utilities, LLC  
918 Tassell St  
Houston, Texas 77076

CONTRACT FOR:

VIA ARCHITECT:

Kimley-Horn and Associates, Inc.  
260 E. Davis Street, Suite 100  
McKinney, TX 75069

AIA DOCUMENT G702

APPLICATION NO. 2 Final

CDBG Sewer Line Replacement

PERIOD TO: 3/21/2024

PROJECT NOS: CDV21- 0040

CONTRACT DATE July 11th, 2023

CONTRACTOR'S APPLICATION FOR PAYMENT

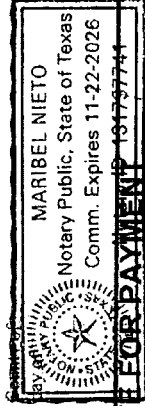
Application is made for payment, as shown below, in connection with the Contract.  
Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM	\$	176,645.00
2. Net change by Change Orders	\$	5,845.00
3. CONTRACT SUM TO DATE (Line 1 + 2)	\$	182,490.00
4. TOTAL COMPLETED & STORED TO DATE (Column G on G703)	\$	182,490.00
5. RETAINAGE:		
a. 10% of Completed Work (Column D + E on G703)	\$	\$0.00
b. 5% of Stored Material (Column F on G703)	\$	Included in above
Total Retainage (Lines 5a + 5b or Total in Column I of G703)	\$	0.00
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)	\$	182,490.00
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)	\$	\$153,763.20
8. CURRENT PAYMENT DUE (Line 6 less Line 7)	\$	28,726.80
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	\$	0.00

CONTRACTOR: Capital Underground Utilities, LLC

By: Horacio Long President Date: 4/4/2024

State of: Notary Public:  
Subscribed and sworn to before me this  
My Commission expires:



ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 28,726.80

CHANGE ORDER SUMMARY		ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner		\$5,845.00	
Total approved this Month		\$5,845.00	\$0.00
TOTALS			
NET CHANGES by Change Order		\$5,845.00	

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

By: DL ARCHITECT Date: 5/8/2024

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

Distribution to:

<input checked="" type="checkbox"/>	OWNER
<input checked="" type="checkbox"/>	ARCHITECT
<input checked="" type="checkbox"/>	CONTRACTOR
<input type="checkbox"/>	
<input type="checkbox"/>	

CONTINUATION SHEET

ALA DOCUMENT G703

PAGE OF PAGES

ALA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing

Contractor's signed certification is attached

The amounts below are stated in the nearest dollar.

Use Column 1 on Contract where variable retainage for time items may apply.

APPLICATION NO. 2 Final1  
APPLICATION DATE: 4/4/2024  
PERIOD TO: 3/21/2024  
ARCHITECT'S PROJECT NO. CDV21- 0040

A ITEM NO.	B DESCRIPTION OF WORK	C UNIT	D APPROXIMATE QUANTITY	E UNIT AMOUNT	F TOTAL PRICE	G QUANTITY THIS PERIOD	H SCHEDULED VALUE THIS PERIOD	I PREVIOUS QUANTITY	J WORK COMPLETED QUANTITY TO DATE	K FROM PREVIOUS APPLICATION (D - E)	L THIS PERIOD	M MATERIALS PRESENTLY STORED (NOT IN POCKET)	N TOTAL COMPLETED AND STORED TO DATE (D+E+M)	O % (G + C)	P BALANCE TO FINISH (C - G)	Q RETAINAGE (IF VARIABLE RATE)
1.01	Mobilization, Bonds and Insurance Complete in Place	LS	1.00	\$15,000.00	\$15,000.00		\$0.00	1.00	1.00	\$15,000.00	\$0.00		\$15,000.00	100.00%	\$0.00	\$0.00
1.02	6" PVC Wastewater Man by Open Cut	LF	30.00	\$116.00	\$3,480.00		\$0.00	30.00	30.00	\$3,480.00	\$0.00		\$3,480.00	100.00%	\$0.00	\$0.00
1.03	12" PVC Wastewater Man by Open Cut	LF	605.00	\$127.00	\$76,835.00		\$0.00	605.00	605.00	\$76,835.00	\$0.00		\$76,835.00	100.00%	\$0.00	\$0.00
1.04	12" PVC Wastewater Man Installed in Casing Pipe	LF	40.00	\$210.00	\$8,400.00		\$0.00	40.00	40.00	\$8,400.00	\$0.00		\$8,400.00	100.00%	\$0.00	\$0.00
1.05	Bore with 16" Steel Casing	LF	40.00	\$668.00	\$26,720.00		\$0.00	40.00	40.00	\$26,720.00	\$0.00		\$26,720.00	100.00%	\$0.00	\$0.00
1.06	Connect to Existing Service Lateral	EA	2.00	\$1,552.00	\$3,104.00		\$0.00	2.00	2.00	\$3,104.00	\$0.00		\$3,104.00	100.00%	\$0.00	\$0.00
1.07	Connect to Existing Wastewater Line	EA	3.00	\$2,531.00	\$7,593.00		\$0.00	3.00	3.00	\$7,593.00	\$0.00		\$7,593.00	100.00%	\$0.00	\$0.00
1.08	Remove Existing Manhole	EA	2.00	\$1,840.00	\$3,680.00		\$0.00	2.00	2.00	\$3,680.00	\$0.00		\$3,680.00	100.00%	\$0.00	\$0.00
1.09	4" Diameter Manhole	EA	4.00	\$2,330.00	\$9,320.00		\$0.00	4.00	4.00	\$9,320.00	\$0.00		\$9,320.00	100.00%	\$0.00	\$0.00
1.10	6" Diameter Manhole	EA	4.00	\$2,656.00	\$10,624.00		\$0.00	4.00	4.00	\$10,624.00	\$0.00		\$10,624.00	100.00%	\$0.00	\$0.00
1.11	Shoring, Erection and Erosion Control	LF	664.00	\$6.00	\$3,984.00	664.00	\$3,984.00	664.00	664.00	\$3,984.00	\$3,984.00		\$3,984.00	100.00%	\$0.00	\$0.00
1.12	Project Sign	EA	1813.00	\$1.00	\$1,813.00	1,813.00	\$1,813.00	0.00	1,813.00	\$0.00	\$1,813.00		\$1,813.00	100.00%	\$0.00	\$0.00
GRAND TOTALS																
1.09	Change Orders	EA	1.00	\$5,845.00	\$5,845.00	1.00	\$5,845.00		1.00	\$0.00	\$5,845.00		\$5,845.00	100.00%	\$0.00	\$0.00
														\$182,490.00		0

Users may obtain validation of this document by requesting of the licensee a completed ALA Document D401 - Certification of Document's Authenticity



## CONTRACTOR'S FINAL PAYMENT AFFIDAVIT

Locality: City of Leonard TX CDBG No: CDV21-0040  
Contractor: Capital Underground Utilities, LLC Date: 4/02/2024

BEFORE ME, THE UNDERSIGNED AUTHORITY, on this day personally appeared Horacio Luna, who being duly sworn, on oath, says that he is a duly authorized representative of Capital Underground Utilities, LLC Contractor, and that all terms of the Contract for the completion of certain public works described as CDBG Sewer Line Replacement City/County of Leonard, Texas have been satisfactorily completed and that ALL sums of money for payrolls, bills for material and equipment, and other indebtedness connected with the Work for the Owner or its property might in any way be responsible to the best of my knowledge and belief, have been paid or will be paid or otherwise satisfied within thirty days after receipt of final payment from the Owner, or within the period of time required by Article 601f, Vernon's Civil Statutes. Payments not made in full at the time of this affidavit are listed below.

FINAL PAYMENTS pending as of this date hereof are: X None Pending As Listed Below

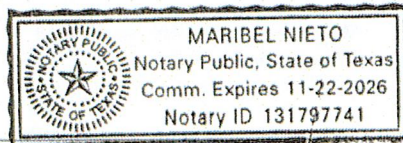
Individual or Co. Name	Mailing Address	Amount Owed

Horacio Luna  
Signature  
President  
Title

Affidavit must be signed by an individual owner or partner in partnership, or by a person authorized by by-laws or Board of Directors to sign for a corporation. If Contractor is a joint venture or partnership of individuals, either may sign, but if a joint venture in which a corporation is a party, separate affidavits must be executed by each corporation and by each individual owner or partnership. In the event subcontractors, laborers, or material suppliers have not been paid in full, the Contractor shall list here on the amount owed and the name and address of each subcontractor, laborer, or material supplier to whom such payment is owed.

Sworn and Subscribed before me this, the 2nd day of April, 2024.

Maribel Nieto



Notary Public in and for Harris County, Texas

(SEAL)

# AIA® Document G707™ – 1994

## Consent of Surety to Final Payment

PROJECT: *(Name and address)*  
CDBG Sewer Line Replacement

ARCHITECT'S PROJECT NUMBER:

Bond No. NTX 9052

OWNER ☒

CONTRACT FOR:

ARCHITECT ☐

General Construction

CONTRACTOR ☐

CONTRACT DATED:

SURETY ☐

OTHER ☐

TO OWNER: *(Name and address)*  
City of Leonard  
111 W. Collin St  
Leonard, TX 75452

In accordance with the provisions of the Contract between the Owner and the Contractor as indicated above, the  
*(Insert name and address of Surety)*

Merchants National Bonding, Inc.

P.O. Box 14498, Des Moines, Iowa 50306-3498

on bond of  
*(Insert name and address of Contractor)*

Capital Underground Utilities

918 Tassell Street, Houston, TX 77076

, SURETY,

hereby approves of the final payment to the Contractor, and agrees that final payment to the Contractor shall not relieve  
the Surety of any of its obligations to  
*(Insert name and address of Owner)*

City of Leonard

111 W. Collin St., Leonard, TX 75452

, CONTRACTOR,

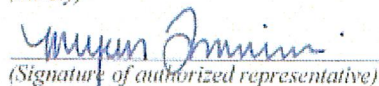
as set forth in said Surety's bond.

, OWNER,

IN WITNESS WHEREOF, the Surety has hereunto set its hand on this date: March 21, 2024  
*(Insert in writing the month followed by the numeric date and year.)*

Merchants National Bonding, Inc.

*(Surety)*

  
*(Signature of authorized representative)*

Megan Liescheski, Attorney-in-Fact

*(Printed name and title)*

Attest:

*(Seal)*

Justin McQuain, Surety Witness

**CAUTION:** You should sign an original AIA Contract Document, on which this text appears in RED. An original assures that changes will not be obscured.

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025117-000-01



**MERCHANTS**  
**BONDING COMPANY™**  
**POWER OF ATTORNEY**

Know All Persons By These Presents, that MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., both being corporations of the State of Iowa, d/b/a Merchants National Indemnity Company (in California only) (herein collectively called the "Companies") do hereby make, constitute and appoint, individually,

Brian P Herrera; Jacob Strader; Jordan Henderson; Justin McQuain; Megan Liescheski; Mireli Stanford

their true and lawful Attorney(s)-in-Fact, to sign its name as surety(ies) and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

This Power-of-Attorney is granted and is signed and sealed by facsimile under and by authority of the following By-Laws adopted by the Board of Directors of Merchants Bonding Company (Mutual) on April 23, 2011 and amended August 14, 2015 and adopted by the Board of Directors of Merchants National Bonding, Inc., on October 16, 2015.

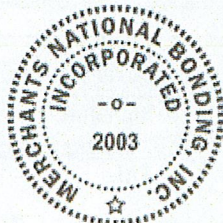
"The President, Secretary, Treasurer, or any Assistant Treasurer or any Assistant Secretary or any Vice President shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

"The signature of any authorized officer and the seal of the Company may be affixed by facsimile or electronic transmission to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner - Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

In Witness Whereof, the Companies have caused this instrument to be signed and sealed this 23rd day of January, 2024.



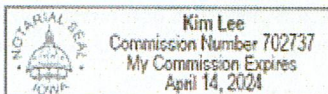
MERCHANTS BONDING COMPANY (MUTUAL)  
MERCHANTS NATIONAL BONDING, INC.  
d/b/a MERCHANTS NATIONAL INDEMNITY COMPANY

By

*Larry Taylor*  
President

STATE OF IOWA  
COUNTY OF DALLAS ss.

On this 23rd day of January, 2024, before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC.; and that the seals affixed to the foregoing instrument are the Corporate Seals of the Companies; and that the said instrument was signed and sealed in behalf of the Companies by authority of their respective Boards of Directors.



*Kim Lee*  
Notary Public

(Expiration of notary's commission does not invalidate this instrument)

I, William Warner, Jr., Secretary of MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said Companies, which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Companies on this 21st day of March, 2024.



*William Warner Jr.*  
Secretary



## CONTRACTOR'S FINAL PAYMENT AFFIDAVIT

Locality: City of Leonard TX CDBG No: CDV21-0040  
Contractor: Capital Underground Utilities, LLC Date: 4/02/2024

**BEFORE ME, THE UNDERSIGNED AUTHORITY**, on this day personally appeared Horacio Luna, who being duly sworn, on oath, says that he is a duly authorized representative of Capital Underground Utilities, LLC Contractor, and that all terms of the Contract for the completion of certain public works described as CDBG Sewer Line Replacement City/County of Leonard, Texas have been satisfactorily completed and that ALL sums of money for payrolls, bills for material and equipment, and other indebtedness connected with the Work for the Owner or its property might in any way be responsible to the best of my knowledge and belief, have been paid or will be paid or otherwise satisfied within thirty days after receipt of final payment from the Owner, or within the period of time required by Article 601f, Vernon's Civil Statutes. Payments not made in full at the time of this affidavit are listed below.

FINAL PAYMENTS pending as of this date hereof are: X None Pending As Listed Below

Individual or Co. Name	Mailing Address	Amount Owed

Horacio Luna  
Signature  
President  
Title

Affidavit must be signed by an individual owner or partner in partnership, or by a person authorized by by-laws or Board of Directors to sign for a corporation. If Contractor is a joint venture or partnership of individuals, either may sign, but if a joint venture in which a corporation is a party, separate affidavits must be executed by each corporation and by each individual owner or partnership. In the event subcontractors, laborers, or material suppliers have not been paid in full, the Contractor shall list here on the amount owed and the name and address of each subcontractor, laborer, or material supplier to whom such payment is owed.

Sworn and Subscribed before me this, the 2nd day of April, 2024.

Maribel Nieto  
Notary Public in and for Harris County, Texas (SEAL)

