

**LCR Total Transport, LLC**  
**Construction Division**  
**30691 Bartels Rd.**  
**Bulverde, TX 78163**



December 15, 2022

Town of Fulton Town Council  
The Honorable Kelli Cole, Mayor  
201 North 7<sup>th</sup> Street  
Refugio, TX 78377

Dear Mayor Cole and members of the Council,

This letter is to inform you of the lengthy process taken to submit the first payment application for the Town of Fulton Roadway & Drainage Improvement Project, GLO No. 20-065-054-C164. From the outset, the Town had a strong interest in following the payment process to insure that LCR Total Transport, LLC, as the general contractor for the project, did not experience any lengthy, unnecessary delays in our monthly applications for payment. These types of projects have been notorious for lengthy payment processes because of the funding and the channels that are required to pass through to complete the process.

As of today, 12/15/2022, our initial payment application for work performed in October of 2022 has been resubmitted. It was initially submitted on 11/1/2022 (for October's work; no initial submission for November), and it was initially accepted by Hanson Professional Services and the Grant Works administrator on 11/15/2022. We were then informed on 11/16/2022 that the form required a breakdown of each line item's funding source, either "Flood & Drainage" or "Street Improvements." This was never pointed out to us as a necessity for our part of the application process. We specifically submitted a blank draw form on 10/21/2022 that we would be using as our monthly payment application to avoid the types of situations we ultimately found ourselves in. This line-item breakdown was not one of the initial changes requested by the grant administrator.

LCR Total Transport, LLC did not receive a full explanation or any clarity as to how each one of one hundred and eighty-two items was to be broken down "as required" until last week, on 12/7/2022. This information came from Hanson Professional Services. It has since taken several days to reformat and review all the changes and additions for October's as well as November's payment applications in the hopes that our payment applications would finally be accepted for processing as well as payment. I personally requested direction to this specific information but did receive it. The replies to my requests painted a picture of the processes but in my understanding, never gave me the information I requested.

The main purpose of this letter is simply to inform the Council of the delays in processing our initial payment applications. We hope this brings more transparency to the process to avoid future delays and continue with the shared goal of a successful project.

Sincerely,

A handwritten signature in blue ink, appearing to read 'C. Karonka', with a long horizontal flourish extending to the right.

Craig C. Karonka  
Vice President