



**RECONSTRUCTION
AUTHORIZATION AND PAYMENT AGREEMENT**

The person(s) named below (collectively, "Owner") hereby authorize **318 Construction, LLC** (Company) to make repairs to Owner's property 508 Austin Ave. West Monroe, LA 71201. **The attached "Terms and Conditions" are a part of this authorization and are agreed to by both parties.**

WORK: The parties agree that the total cost of the work will be in accordance with the estimate and any supplemental estimates prepared by the Company, plus any change orders approved by Owner and Company. Owner agrees that the job is limited to the work set forth in Company's summary of the work provided with Company's estimate (the "scope of work"), except that the scope of work shall also include any additional work requested by Owner and agreed to as described under "Addition/Deletion of Work" in the Terms and Conditions below.

This Work Authorization, along with all attachments, agreed estimates, supplemental estimates and change orders shall constitute the contractual obligations of Owner and Company.

Owner understands and acknowledges that Company is a separate legal entity that has no connection with Owner's insurance company or its adjuster, and that Owner alone has the authority to authorize Company to make the repairs set forth in this agreement.

Owner agrees that any portion of work, including without limitation deductibles, betterment, depreciation, or additional work requested by Owner, not covered by insurance, must be paid by Owner in accordance with this agreement, including the attached Terms and Conditions. **Although Company will assist Owner in seeking reimbursement of the costs of the work from Owner's insurer, Owner is responsible for payment to Company of the full costs included in the scope of work.**

PAYMENT: Owner's insurance company is _____ Private Pay _____ and Owner irrevocably directs such insurer to pay all proceeds due Company as payment under any applicable policy or policies directly to Company and any mortgage company named. Owner will instruct Owner's insurer to make checks payable to 318 Construction, LLC, Owner shall, upon request of Company, promptly (within 24 hours unless another time is agreed to by the parties) forward Company's estimate to Owner's insurer or otherwise make demand for payment of Owner's claim. Owner will provide all reasonable cooperation to Company upon Company's request to facilitate processing and payment of Owner's claim by Owner's insurer. Owner agrees to promptly (within 24 hours unless another time is agreed to by the parties) endorse and provide to Company any payment or check relating to the work hereunder that is made payable to Owner or Owner and Company jointly. Any insurance payment may, if reasonably directed by Company, be made to a mortgage company or into an escrow account in a bank acceptable to Company, for disbursement by a series of draws.

Initials of Insured _____

RETAINAGE: Notwithstanding the foregoing, if at the time of substantial completion Company and Owner agree to a "punch list" of items that remain to be completed, an amount (the retainage) may be withheld from final payment that is equal to two times the value of the uncompleted work (as reasonably determined by Company) or \$250, whichever is greater. The retainage is due upon completion of punch list items. No amounts other than retainage may be withheld or deducted from amounts due Company hereunder.

PERFORMANCE: If Company has not received payment for work, or other reasonable assurance satisfactory to Company that the full amounts of any estimate or supplemental estimate will be paid by Owner's insurer, Company may suspend or cease performance of the work hereunder until such time as payment or assurances satisfactory to Company are received by Company. Notwithstanding any other provision of this Work Authorization, Company shall have no responsibility or liability to Owner or any third party for any losses, damages, or claims that may arise due to suspension or cessation of work under this paragraph.

MORTGAGE: It is Owner's responsibility to promptly secure the endorsement of any loss drafts, checks, and/or progress payments, if appropriate. Owner must cooperate and provide all reasonable assistance in obtaining prompt payment or consents from the owner of any mortgage on the subject property, including execution of an appropriate release of information or a payment authorization in a form reasonably selected by Company.

Owner's mortgage payments are paid to:

Owner represents and warrants that all mortgage and related payments are current.

ENVIRONMENTAL CONDITIONS: Company's scope of work hereunder shall not include the identification, detection, abatement, encapsulation or removal of any hazardous substances. If Company discovers any hazardous substances during the course of its work hereunder, it shall have the right to discontinue its work until such hazardous conditions are removed or otherwise remediated and the time allotted Company for completion of its work shall be extended for the period of time such hazardous conditions continue to exist. Company shall have no obligation to remove or otherwise remediate such hazardous substances.

By signing this authorization, I state that I have the legal authority to enter into this agreement for repairs to this property.

THIS AGREEMENT is made, entered into and effective this _____ day of _____, _____.

By and Between:

Customer Signature: _____

Company Signature: _____

Printed Name: City Of West Monroe

Company Name: 318 Construction, LLC

Date: _____

Company Address: 825 Stone Ave. Monroe, LA 71201

Property Address: 508 Austin Ave
West Monroe, LA 71201

Date: _____

Initials of Insured _____

TERMS AND CONDITIONS

1. Preexisting Deficiencies: The work agreed to consists of the scope defined in this contract and does not cover preexisting deficiencies or required codes upgrades unless specifically stated.
2. Materials: Materials will be standard stock materials unless otherwise specified and will match existing materials within reasonable tolerances, as determined by Company in its sole discretion, as to color, texture, design, etc. Any changes in color or type of material will be at Owner's sole expense, at Company's standard rates.
3. Access: The contract price is based on completion during normal working hours unless otherwise agreed, and Owner agrees to provide all necessary access to the jobsite as required until work is completed. Owner's key, telephone, electricity, water, toilet, and other necessary facilities is to be made available to the Company's personnel during the course of work, as necessary, and a lock box may be used. Company may place a sign on the work site or Owner's property.
4. Addition/Deletion of Work: Any work deleted from the scope of work must be agreed to by both Owner and Company in writing on a change order. In the event of deletion of work, upon payment to Company, Owner will be reimbursed only for Company's (or any subcontractor's, if applicable) budgeted cost on said work. If deletion of work from the contract results in a net credit to Owner, the amount of the credit will be used to offset extra work or paid upon Company's receipt of final payment. Any additional work will be at prices agreed to by the parties. If Owner requests additional work that is not covered by the insurance company, and Company agrees to perform such work, a down payment of 50% of the cost of the additional work is required before starting the additional work. The balance will be due on completion of the additional work.
5. Security: Company is not responsible for security of the jobsite, and therefore it is agreed that Company shall have no responsibility for any damage, disappearance, or theft of jewelry, art objects, silver, gold, antiques, guns, personal items, or other valuables. Owner agrees to remove, store, or protect all such items that are left at the jobsite. Company is not responsible for any harm to any pets or persons accessing the jobsite, and Owner agrees to ensure that pets or persons (including children) are not allowed access to the jobsite.
6. Payments: Payments not made in accordance with any agreed-upon schedule or no later than 10 days after date of Company's invoice (whether provided after substantial completion or otherwise), shall accrue interest thereon at the lower of (i) 1% per month (12% per annum), or (ii) the highest rate allowed by law, until paid.

Initials of Insured _____

7. **Limited Warranty:** Company guarantees its workmanship will be in accordance with restoration/ remodeling industry standards for three years from date of substantial completion, normal wear and tear and causes beyond the reasonable control of Company excepted. Owner shall notify Company as soon as practical of all alleged defects in the work; failure to provide timely notice will void any warranty. Owner's exclusive remedy, and Company's sole liability, for any breach of this limited warranty is for Company to re-perform the work within a reasonable time after proper notice of the defect. This limited warranty is void if Owner is not in compliance with any term of this agreement, including without limitation any payment terms. Company will not pay for warranty work performed by others unless agreed to in advance. Company is not responsible for additional work performed under any agreement between Owner and other tradesmen or subcontractors.
- Materials are covered for one year or by guaranties or warranties, if any, provided by manufacturers. Company will pass through to Owner, to the extent allowed, any such guaranties or warranties provided to Company. If Owner purchases any materials for use or installation by Company, or directs Company to purchase particular materials against the recommendation of Company, Company shall have no responsibility whatsoever with regard to any claims arising from any incompatibility or defect regarding such materials, or any breach of manufacturer's warranty with regard to such materials.
- EXCEPT AS SPECIFICALLY SET FORTH HEREIN, COMPANY MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, REGARDING ANY WORK OR MATERIALS PROVIDED HEREUNDER INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
8. **Termination:** If a party shall fail to comply with any material term or condition of this agreement, then the other party may provide written notice of such default. Upon receipt of such notice, the party in default shall have 10 business days in which to cure such default. If such default is not cured within 10 business days after such notice, the other party may terminate this Agreement upon prompt written notice. If Company terminates this agreement based upon Owner's default, Company shall be paid all labor and material costs and expenses incurred as of the date of termination of the agreement, plus Company's fee of 20 percent of the total entire scope of work price (i.e., as if the project had been completed), for overhead and profit.
9. **Dumpsters:** Owner acknowledges that damage may occur from placing a dumpster on lawns, soil, asphalt, or concrete during placement or pickup. Company will not be responsible for any damage due to settling, rutting, staining, marring, or any other form of damage caused by the placement and pickup of the dumpster(s).
10. **No Verbal Agreements:** Any alleged or asserted verbal agreements are not binding by Company.
11. **Insurance:** Owner shall maintain the Owner's usual liability insurance and Company shall maintain comprehensive general liability insurance. Company shall maintain workers' compensation insurance as required by law. Owner waives all claims, including, but not limited to, subrogation claims, against Company to the extent the claims are covered by insurance. If the Owner purchases loss of use insurance, Owner waives all claims for loss of use against Company.

Initials of Insured _____

12. No Waiver: Any waiver of a breach or default under this agreement shall not constitute a waiver for any subsequent breach or default. No single or partial exercise of any right, power, or privilege under this agreement shall preclude further exercise of the right, power, or privilege.
13. Force Majeure: Neither party shall be responsible for any delay in or failure of performance under this agreement due to any occurrence beyond its reasonable control, including without limitation work stoppages, natural disasters, fires, civil disobedience, riots, rebellions, acts of God, failure of a supplier or third party, or any other similar occurrences.
14. Dispute Resolution: All claims, disputes, and other matters in question arising out of, or relating to, this agreement or the breach thereof, shall be decided by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then in force, or by legal action, at the option of Company. All legal fees and expenses shall be awarded to the prevailing party in any arbitration proceeding; any arbitration will be conducted by a single arbitrator selected in accordance with applicable rules then in force.
15. Roles and Responsibilities: As a professional restorer, it is our job is to help determine the proper methods and materials to return your property to its preloss condition, to prepare an estimate of a fair price to perform that work, and to properly manage the restoration process.
- Your insurance adjuster is responsible to determine what is covered and what isn't under the policy, to make you an offer of settlement according to the terms of your insurance policy, and to promptly reimburse you for your loss according to the policy terms.
- Your insurance contract is with you, and all their duties and responsibilities under that contract (your policy), and under state law, are due to you. The settlement of your claim is with you and payment for your loss is due to you, although many insurers will honor your request to include our name on your insurance draft.
- Our contract is with you and is based on an estimate prepared for your insurance company and further described in our agreement. As the Owner, it is your responsibility to understand and agree with the proposed scope of work and the terms of our agreement with you. We ARE agreeing to perform all the work in our scope for the lump sum amount described in the contract. We ARE NOT agreeing to the individual unit prices provided in the line item estimate to the insurance company. As the contract explains, those prices are a convenience in the industry and in many cases do not reflect our actual prices and costs.
- We will provide you with estimated replacement costs for a variety of owner-selected materials such as floor covering and light fixtures, based on insurance company guidelines. If you do not believe the estimated amount fairly reflects the replacement cost of that item, it is your responsibility to address that concern with your insurance adjuster.
- If there is required work that you believe we have overlooked in our scope, it is your responsibility to bring that to our attention. If your adjuster agrees that it is loss-related, we will present the additional cost to your insurer as a supplement to your claim and add it to your contract by change order. If the adjuster does not agree the additional work is loss-related, it will be your responsibility to pursue that additional claim. If we are in agreement with you, we will provide a report to that effect if requested, which you can provide to your insurer.

Initials of Insured _____

Payment Schedule

As the insured, I understand that prior to any reconstruction work beginning, all fees set out below shall be paid to 318 Construction, LLC. I understand that the following payment schedule is required for work to begin, materials to be purchased and repair work to progress to completion.

I understand that if a mortgage company is involved, I will inform my mortgage company of my insurance claim, provide them with all requested forms and information within a timely manner and copy them with the attached payment schedule. I will inform 318 Construction of any and all guidelines required by my mortgage company prior to any work beginning such as inspection requirements, form requirements, etc. I understand that the involvement of a mortgage company can delay the job process as well.

If any supplemental work is required, I understand that amount will be invoiced separately.

NON-PAYMENT OF FUNDS WILL IMPACT WORK SCHEDULE

TOTAL RECONSTRUCTION ESTIMATE:	\$162,552.71
Deductible due upon signing of work authorization.	\$0.00
TOTAL RECONSTRUCTION ESTIMATE Minus Deductible:	\$162,552.71
Deposit is due upon execution of contract and includes, but is not limited to, the following scope of work:	\$65,021.08
<ul style="list-style-type: none">- Order all materials- Install insulation and repair ceiling grid- Hang and finish drywall	
Second payment is due upon execution of previously stated work, but is not limited to, the following scope of work:	\$48,765.81
<ul style="list-style-type: none">- Texture and prime all drywall- Install all trim- Paint walls and trim	
Third payment is due upon substantial completion of previously stated work. This payment includes, but is not limited to, the following scope of work:	\$32,510.54
<ul style="list-style-type: none">- Install all flooring- Trim out all plumbing fixtures	
Final payment is due when project is significantly complete	\$16,255.27

Customer Signature	Date
--------------------	------

Customer Printed Name	Date
-----------------------	------

Project Manager Signature	Date
---------------------------	------

General Manager Signature	Date
---------------------------	------

318 Construction, LLC | 825 Stone Ave. Monroe, La 71201

Material Selection Sheet



Customer

City Of West Monroe
508 Austin Ave
West Monroe, LA 71201

Subcontractor

Contract Price

Material Selection

\$6,464.17

Printed Name

Title

Authorized Signature

Date

Summary of Scope	Qty	Budget
Glue down carpet - heavy traffic		\$1,300.79
Vinyl tile		\$5,163.38