

**CITY CLERK
ORIGINAL**

EXHIBIT 1
Instructions to Obligee
#5932008302
Date: 5/22/13

C-8462-1
05/22/2013

Obligee: **City of Glendale**
Project: **Project No. 111203 - Valley Utilities Dysart Road Waterline Extension**
Contractor: **Kinkaid Civil Construction, LLC**
Surety: **The Gray Casualty & Surety Company**

To: **City of Glendale**

The undersigned Contractor hereby irrevocably requests and directs that all payments due or to become due on account of the above referenced Project between Obligee and the undersigned be issued in the form of ACH's, Wire Transfers, or Checks as follows:

ACH's are payable as follows:

ACH to: **Wells Fargo Bank, National Association**

Bank Routing Number: **091000019**

Account Name: **Kinkaid Civil Construction, LLC**, Escrow Account # [REDACTED]

Account Number [REDACTED]

Wire Transfers are payable as follows:

Wire to: **Wells Fargo Bank, National Association, San Francisco, CA**

Bank Routing Number: **121000248**

Account Name: **Kinkaid Civil Construction, LLC**, Escrow Account # **5932008302**

Account Number: [REDACTED]

Checks are to be made payable to: "**Kinkaid Civil Construction, LLC**, Escrow Account # [REDACTED]"

and sent to the following address:

North American Construction Services, Inc.
1710 Douglas Drive N.
Suite 109
Golden Valley, MN 55422

The Gray Casualty & Surety Company, as surety on Performance and Labor and for Material Payment Bonds (the "Bonds") issued in connection with the aforesaid Project has required the establishment of an Escrow Agreement with Wells Fargo Bank, National Association (the "Bank") and **Kinkaid Civil Construction, LLC**.

These instructions, which are coupled with an interest, may not be modified, changed or rescinded without the written authorization and consent of an officer or Attorney-In-Fact of the Surety. Unintentional failure of Obligee to deliver Funds in accordance with these instructions will not be grounds for voiding or otherwise reducing the Surety's obligations to the Obligee under the Bonds unless the Surety can demonstrate actual prejudice and then only to the extent of the amount of the Funds not delivered to the Bank. Nothing in these Instructions, or any failure of the Obligee to comply with them amends, modifies, changes or otherwise affects the terms, conditions, obligations or the compliance with or performance of the same by Contractor and Obligee under their separate Agreement, which is identified as Construction Agreement C-8462.

Sincerely,

Kinkaid Civil Construction, LLC

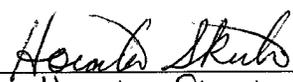

Jeffrie A. Borum, Member

North American Construction Services, Inc.


Michael D. Williams, President

ACCEPTED AND AGREED BY OBLIGEE:

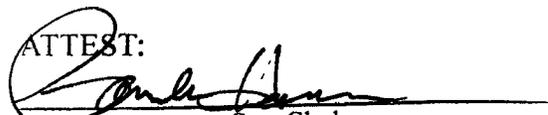
City of Glendale

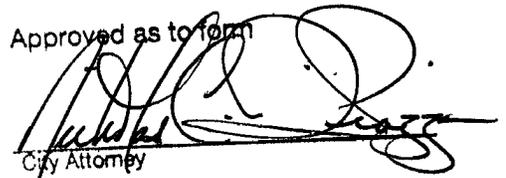
By: 
Name: Horatio Skeete
Title: Assistant City Manager
Date: July 23, 2013
Telephone: 623-930-2870
E-Mail Address: hskeete@glendaleaz.com

HIGH IMPORTANCE (FOR OBLIGEE USE ONLY)

The expected date of first payment on the above referenced project is September 10-25, 2013

***NACS understands that an actual date may not be realistic, but please include a date range if possible (2 weeks, 15-30 days, etc.).

ATTEST:

City Clerk

Approved as to form

City Attorney

____ Verified _____ Date _____ Time _____ By/Initials
(This line for use by NACS only)