



TAMPA BAY THE EASY WAY

October 10, 2017

HAND DELIVERED
REGISTERED MAIL, RETURN RECEIPT

Mr. Louis H. Sanchez, CEO
The Artec Group, Inc.
1343 Main Street - Suite 300
Sarasota, FL 34236

Re: Notice of Default
Airport Terminal Improvements - Phase 3
Gates 7-10 Terminal Addition - Rebid (PID #001544A; Bid No. 156-0155-CP(PF)
St Pete- Clearwater International Airport

Dear Mr. Sanchez,

As you are aware, the Board of County Commissioners of Pinellas County (County) and The Artec Group, Inc. entered into a contract on March 17, 2016, for the project more commonly referred to as the Airport Terminal Improvements - Phase 3, Gates 7-10 Terminal Addition. As you are also aware, the project was not completed by the original completion date, and you have declined to accept the forty-five (45) day extension offered by the County in Change Order 1 - Time Only, along with supporting documentation that provides a new contract completion date of October 12, 2017. As a result of your failure to accept this time extension, the extension is hereby unilaterally granted by the County.

While I appreciate your October 2, 2017 email, recognizing that the project is behind schedule and your recognition that "Artec Group has some responsibility for the delays...", this does not excuse your failure to perform in accordance with the contract. You were aware when you entered into the contract that time was of the essence.

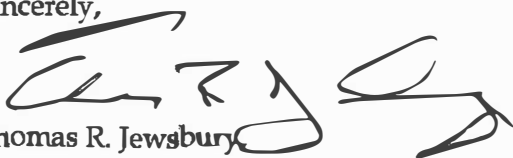
Therefore, you are hereby notified, pursuant to the Invitation to Bid Contract Document, Section B Special Conditions Paragraph 34.A., that you are in material breach of the contract. That breach includes, but is not limited to, the following:

1. Your failure to complete the work in a timely manner; and your failure to properly and timely perform the Work as directed by the Design Professional/Engineer/Project Manager or as provided for in the approved Construction Progress Schedule;

2. Your performance of the work in an unacceptable, unsuitable, or otherwise defective manner;
3. Your failure to supply enough properly skilled workers and proper materials;
4. Your failure to properly progress the project schedule;
5. Your failure to provide required updates of the project schedule;
6. Your failure to provide requested information for change orders submitted by you;
7. Your failure to make timely and proper payments to subcontractors and suppliers;
8. Your billing for work incorrectly performed;
9. Your failure to perform the work in accordance with the plans, specifications and applicable codes; and
10. Your failure to comply with the Airport Work Procedures including, failure to coordinate your work with Airport operations, including interference. Additionally, you have interfered with occupants and failure to provide safe and secure passageways for passengers.

Consequently, this letter serves as notice to the Contractor of its material default as it has failed to perform or abide by the terms of the contract documents. If you have not taken substantial steps toward effecting a remedy or cure of the default(s) in your performance within seven (7) calendar days following receipt of this written notice, then the County, at its option, without releasing or waiving its right and remedies against your surety, and without prejudice to any other right it may be entitled hereunder or by law, may terminate your right to proceed, in whole or in part, and take possession of the work and any materials, tools, equipment, and appliances of yours, take assignments of any of your subcontracts and purchase orders and complete your work by whatever means, method, or agency by which the County, in our sole discretion, may choose.

Sincerely,



Thomas R. Jewsbury
Airport Director, St. Pete-Clearwater International Airport

cc: Jake Stowers, Assistant County Administrator, Pinellas County
Scott Yarley, Airport Engineer

North American Specialty Insurance Company
650 Elm Street
Manchester, NH 03101

Nielson, Wojtowicz, Neu & Associates, Inc.
1000 Central Avenue, Suite 200
St. Petersburg, FL 33705