

EXHIBIT "A"

HIDALGO COUNTY - PRECINCT # 3 "HAULING SERVICES OF TYPE D HOT MIX ASPHALT" BID NO: 06-400-11-29-jmt

SPECIFICATIONS, REQUIREMENTS & OTHER TERMS AND CONDITIONS

SCOPE OF SERVICES:

1. The requirements services contract will encompass all project-related hauling Type D Hot Mix Asphalt for the County of Hidalgo Precinct 3 including, but not limited to, the following:
2. Hauling services will be on an **as needed basis only**.
3. Type D Hot Mix Asphalt will be hauled from awarded vendors **a) Valley Caliche b) Frontera Materials** at pit locations as follows:
 - a) Plant location - FM 1924 between Minnesota and Palm Drive, Mission, Texas
 - b) Plant location - La Joya North of 83 on FM 2221
4. Bid price must be on a per ton basis.
5. Hidalgo County reserves the right to award the bid on a lump sum basis to one bidder or to multiple bidders if the County determines it is in its best interest to do so.
6. The contract will be in effect for a period of (1) one year from bid award date with the County's option to extend for an additional year under the same terms and conditions. Prices must remain firm during the contract period.
7. Hidalgo County-Precinct No.3 reserves the right to continue this bid for an additional sixty (60) day Grace Period at the end of the contract term for unforeseen delay in award of new bid for next contract term.
8. Hidalgo County - Precinct No. 3- Requires a minimum of **5 hauling trailers** that will be **available** on a daily basis for this bid project to please note the make, year, model and capacity of your hauling trucks on attached **Exhibit "D"**.
9. Hidalgo County - Precinct No. 3 - Requires the minimum of five (5) vendor owned trucks (proof of ownership (title) shall be furnished with bid) to be available on a daily basis.

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Cont....

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10. The Bidder awarded the contract shall not engage the services of a subcontract without prior written consent of Hidalgo County. When requesting written consent from Hidalgo County to retain a subcontractor to perform services hereunder the successful bidder must present evidence and submit to the County that the successful bidder and the proposed subcontractor possess all necessary licenses and permits to perform the services described herein and that the successful bidder and the proposed subcontractor have obtained and submitted the required insurance coverage and policies as required by Hidalgo County (See Exhibit "C").
11. **Insurance (requirements) certificates** must be submitted to Precinct 3 with copies to the Purchasing Department for approval prior to any services being performed which is applicable to both the awarded bidder and the subcontractor in accordance to **Exhibit "C" attached.**
12. **Any contract award to a successful bidder will be in effect until:**
 - (a) the contract expires,
 - (b) delivery and acceptance of products, and/or performance of services ordered, or
 - (c) terminated by County with thirty day's written notice prior to cancellation.

Market Volatility and Unit Price Adjustments:

Hidalgo County recognizes that during periods of national crisis and unstable economic conditions, unforeseen price increases might affect costs for goods and services contracted on an annual basis. The following procedure may be employed to mediate price volatility:

- 1) **Requesting Price Adjustment:** Upon written request of the Vendor to the County Purchasing Agent, the County may review evidence of prevailing industry-wide market conditions that warrant an adjustment in bid prices contained in the contract.
 - A Vendor must tie any price change clause to an industry-wide or otherwise nationally recognized index, or some other form of verifiable document. Such written request must be accompanied by a certified copy of the supplier's advisory or notification to the vendor of the price changes.
 - The Vendor must put the Purchasing Agent on the mailing lists for such publications so that the Purchasing Agent can monitor said changes. Such membership shall be at no cost to the County.
 - The County Purchasing Agent retains the right to determine whether or not such proposed price changes are in the best interest of the County.
 - No price escalation will be authorized in excess of the amount of the increase referred to in the supplier's notice.
 - The County may only grant a price increase if the evidence presented is deemed reliable. Should the County allow a price increase, the approved price change shall be honored for all orders received by the vendor or contractor after the effective date of such price change. Approved price changes are not applicable to orders already issued and in process at time of price change.

- 2) **Price Reduction:** Vendor shall notify the County at the time when the Vendor's costs for items and/or supplies reduce due to stabilization in the market at which time prices for items on this contract shall be reduced accordingly. Failure by the Vendor to notify the County of a decrease in costs for items and/or supplies for which the Vendor was granted a price adjustment, may result in immediate termination of this contract and the County shall not be obligated to pay the Vendor the difference between the contract price and the price adjustment.

- 3) **Timeframe for Adjusted Price Increases:** Price increases are only valid for the quarter in which they are requested and approved. Prices shall return to the original contract price at the beginning of the following quarter unless a Vendor notifies the County in writing within ten (10) days of expiration of the quarter in which the price increase is in effect, that it desires to have the price increase continue or that the Vendor is requesting a different price increase for the following quarter. Such request must be supplemented with sufficient justification to demonstrate that the price increase remains necessary. The County Purchasing Department shall have sole discretion whether to grant the price increase extension. The County too, shall have discretion to unilaterally reduce, eliminate or extend a price adjustment to the Vendor at any time upon written notice from the County to the Vendor demonstrating justification for such reduction, elimination or extension of the price adjustment.

- 4) **Allowable Review Periods:** Price adjustment reviews may only be requested by the Vendor on a quarterly basis. However, the County may at its own discretion, conduct temporary price adjustment reviews at any time. The County Purchasing Agent and/or the County Auditor reserve the right to audit and/or examine any pertinent books, documents, papers, records or invoices relating directly to the contract transaction in question after reasonable notice and during normal business hours.

- 5) **Dollar Limit to Price Changes:** The total increase in contract price shall not exceed twenty-five percent (25%) of the original contract price during the contract term.

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

**SERVICE CONTRACT
C-06-00-00-00**

THIS CONTRACT is made and entered into this ____ day of _____, 2006 by and between the **COUNTY OF HIDALGO, TEXAS** ("County"), and _____, Texas ("Company").

WHEREAS, Company responded to advertised notices for bids for _____ (the "Services"); and

WHEREAS, Company submitted a bid to provide services in accordance with the specifications as bid, a copy of such specifications and bid being attached hereto as Exhibits "A" and "B" respectively, and incorporated herein for all purposes (the "Specifications"); and

WHEREAS, in recognition of and in consideration of Company's agreement to perform the Services in accordance with Specifications, the Commissioners Court of County awarded the bid to Company.

NOW, THEREFORE, in mutual consideration of the foregoing and the further consideration of the following, the parties hereto agree as follows:

1. County and Company hereby agree that this Contract is entered into in order to provide the Services to Hidalgo County for Project as listed on specification . This Contract does not extend to any third parties any duties or benefits conferred in any manner hereunder or otherwise.

2. Company hereby promises and agrees to render and provide, during the term of this Contract, and shall be obligated to render and provide the Services in accordance with the Specifications within **Hidalgo County** following a request for Services by the **Commissioner** or his designated agent. Company agrees in performing the Services that it will use proper professional standards, comply with any and all appropriate laws and regulations in providing the Services, and devote such time as is necessary to safely and efficiently provide the Services.

3. This Contract shall be for a period beginning _____, 2006, and ending on _____, and may be extended at the sole discretion of County for an additional ninety(90) days, unless this Contract is terminated pursuant to the provisions herein, whichever occurs first.

4. As a condition of this Contract, Company shall hold and maintain throughout the term of this Contract all licenses and permits required, or which may be required by any authority during the term hereof to provide the Services.

5. All trucks or vehicles operated by the Company to perform the Services shall contain all equipment required by any authority to operate on streets and roads and all persons in the employ of Company who operate such trucks or vehicles shall have the required licenses, qualifications, skill and expertise to perform such Services and shall comply with all laws, rules and regulations prescribed by any agency or authority having jurisdiction with regard to the operation of such trucks or vehicles in providing the Services.

6. As consideration for rendering the Service provided for in this Contract, the County agrees to pay Company the amounts specified in Exhibit "B" attached hereto payable against written invoice submitted by Company.

7. Company shall provide insurance in force on all its vehicles and all persons connected with providing services under this Contract naming County as an additional insured (with the coverages and in the amounts described on Exhibit "C" attached hereto and incorporated herein at this point for all purposes), and shall furnish to County certificates of such insurance coverage.

8. Company shall provide a sufficient number of trucks, vehicles, personnel and equipment available to safely and efficiently provide the Services.

9. Company shall indemnify and hold harmless County, its elected officials, employees and agents from any and all claims, damages, losses, and expenses including attorney's fees for the defense of any action against County arising out of, resulting from, or connected with the provision of the Service by Company under this Contract. Said indemnity shall cover any act or failure to act by the Company, its agents or employees.

10. This Contract shall not be assignable in whole or in part by either party without prior written consent of the other party.

11. It is expressly agreed that this Contract and the performance by the parties hereunder does not create any agency relationship or master-servant relationship, that County has no supervision of the performance of the Services provided by Company, and that Company is an independent contractor under this Contract.

12. Any notice required or permitted to be given hereunder shall be in writing and shall be delivered personally or sent by certified mail, postage prepaid as set forth below.

If to County: **The County of Hidalgo
Attn: County Judge
100 E. Cano
Edinburg, Texas**

If to Company:

13. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

14. This Agreement may be terminated by either party without cause upon thirty (30) days written notice.

15. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Agreement.

16. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and shall be perform able in Hidalgo County.

WITNESS our hands in duplicate originals this ____ day of _____, 2006.

COUNTY OF HIDALGO

By: Ramon Garcia, County Judge

ATTEST:

J. D. Salinas, III, County Clerk

COMPANY:

By:

Printed Name:

Title: