

# MEMORANDUM

**TO:** Precinct No 2

**FROM:** Sandra Montalvo/Roli Flores, Buyer  
HIDALGO COUNTY PURCHASING DEPARTMENT

**DATE:** April 28, 2008

**RE:** Approval of specifications for: "Hauling Services"  
BID NO. 08-170-00-00

Enclosed is the packet for the above referenced project. Please sign off your approval, disapproval, or add on information if needed no later than Wednesday April 29, 2008 12:00 P.M.

M. Cuella RA#2. OK.

APPROVAL OF SPECIFICATIONS

DISSAPPROVAL OF SPECIFICATIONS

Add additional information (if needed):

Do we have a separate "Hauling Contract"

For Dirt - ?

8-1202-431-00-127-006 03 346

Should you have any questions, please do not hesitate to call me at (956) 318-2626.  
Thank you for your assistance

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By 2:49 g

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Do we have a separate "Hauling Contract"

For Dirt - ?

8-1202-431-00-127-00603346

Should you have any questions, please do not hesitate to call me at (956) 318-2626.  
Thank you for your assistance

4/30/08 2:47 pm  
Faxed to Sandra @ Purchasing.  
BID-08-170-00-00.

# **EXHIBIT “A”**

## HIDALGO COUNTY PRECINCT NO. 2 “HAULING SERVICES” BID NO. 08-170-05-28-SMA **SPECIFICATIONS**

1. It is intended that all hauling of road materials will be within Hidalgo County Precinct No. 2 area and will be awarded on a **per ton basis**. The bid price will be for the duration of One (1) year with the County’s sole discretion to extend for an additional year. Hauling services will be requested on an **as needed basis** by the precinct.
2. Road materials (i.e. crushed caliche, pit run caliche, caliche gravel, hot mix, and cold mix) will be hauled from vendor pits that are currently holding the contract for material bids. Vendors stated are presently on Contract for the materials; however, vendors may change due to contract expiration during the term of this bid. Awarded hauler(s) will be advised. Location of current pits and plants are as follows:  
  
**Cold Mix** - Frontera Materials La Joya Plant 3 miles N of US 83 on FM 2221  
  
**Type D Hot Mix - Gravel**- Frontera Materials La Joya Plant & Progreso Plant Military Hwy & FM 1015  
  
**Type D Hot Mix – Limestone** - Frontera Materials – La Joya Plant & Progreso Plant Military Hwy & FM 1015  
  
**Crushed Caliche** - Frontera Materials- 490 Pit- 4 Miles West of US 281 on FM 490 & Reavis Pit 3 miles N of US 83 on FM 2221; and Martin Marietta 2 miles S of Intersection FM 1017 & FM 3250 Jericho Pitt Linn, TX
3. Bid price must be on a **per ton basis**.
4. Hauling services for Precinct No. 2 will be done by Precinct No. 2 forces along with awarded vendor, when required.
5. **Bid Award:** Hidalgo County reserves the right to award the lowest qualified bid on a lump sum basis to one bidder or to multiple bidders if the County determines it is in the best interest to do so.
6. Hidalgo County Precinct No. 2 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.
7. Hidalgo County is requesting the minimum of **Five (5) vendor owned hauling trucks** (proof of ownership (title) shall be furnished along with your bid) to be available on an as needed basis with a minimum of twenty-two tons per load. Please note the make, year, model, vehicle identification number, license plates

and capacity of your hauling trucks on Exhibit “D”.

8. Insurance Certificates (Exhibit “C”) must be submitted to the Purchasing Department for approval prior to any services being performed by the awarded bidder.
9. Bidders will be required to complete and submit the Supplemental Hauling Data Sheet for every driver as detailed in Exhibit “E” upon award.
10. The bidder(s) awarded the contract **cannot** engage the services of a **subcontractor without prior written consent of Hidalgo County** for the retention of a subcontractor to perform services hereunder. The successful bidder(s) must present evidence that the proposed subcontractor possess all the necessary licenses and permits to perform the services and the subcontractor has obtained the required insurance which names the contractor as an additional insured. Requesting authorization for subcontracting does not constitute compliance with the primary specification contained herein which state the minimum number vendor owned vehicles required.
11. The County reserves the right to reject any or all bids, to waive any or all formalities, or to accept the bid considered the best and most advantageous to the County, giving due consideration to the location of the pit from the area of the precinct where the “Hauling Services” is to be transported, and to hold the bid for a period of ninety (90) days without taking action thereon.
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.
13. All costs and expenses associated with the preparation and submission of proposals shall be the responsibility of the submitter and no reimbursements for such charges or expenses shall be passed onto the County.

**14 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:

- a) **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.
  - i) 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.
  - ii) 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.
  - iii) The County Purchasing Agent retains the right to determine whether or not such proposed price changes are in the best interest of the County.

- iv) No price escalation will be authorized in excess of the amount of the increase referred to in the supplier's notice.
- v) 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.

- b) **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.
- c) **Time frame 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.
- d) **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.
- e) **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.

15. **ADDITIONAL INFORMATION**

Further information required for this project can be addressed through the Hidalgo County Purchasing Department through Sandra Montalvo. Hidalgo County is also requesting that any and all questions, inquiries and clarifications regarding quotes, bids, proposal or statement or qualifications be addressed to Martha L. Salazar, CPPB/ Purchasing Agent, at 2802 South Business Highway 281, Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

All written inquiries will be accepted via facsimile no later than, Wednesday, **Month Day Year** at 5:00 P.M., at (956) 318-2629. Responses to said inquiries will be sent to all applicants via facsimile by no later than 5:00 P.M., Friday, **Month Day Year**.

THE STATE OF TEXAS    §  
  §  
COUNTY OF HIDALGO   §

**SERVICE CONTRACT**  
**C-08-170-00-00**

THIS CONTRACT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2008 by and between the **COUNTY OF HIDALGO, TEXAS** ("County"), and \_\_\_\_\_ a Texas Corporation. ("Company").

WHEREAS, Company responded to advertised notices for bids for "**Hauling Services**" for **Precinct No. 2** (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 agrees that this Contract is entered into in order to provide the Services to locations at **Hidalgo County Precinct No. 2**. 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 **Department Head, Commissioner, Sheriff 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\_\_\_\_\_ and ending on\_\_\_\_\_ and may be extended at the sole discretion of County for an additional one (1) year period, unless this Contract is terminated pursuant to the provisions herein, whichever occurs first. County also reserves the right to continue this bid for an additional sixty (60) day Grace Period, under the same rates terms and conditions.

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 78539**

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 performable in Hidalgo County.

WITNESS our hands in duplicate originals this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

Approved by Commissioners' Court on, \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_.

**COUNTY OF HIDALGO**

**ATTEST:**

By: \_\_\_\_\_  
Juan D. Salinas, III, County Judge

Arturo Guajardo Jr., County Clerk

**COMPANY:** \_\_\_\_\_  
By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

APPROVED AS TO FORM:  
Atlas & Hall, L.L.P.

By: \_\_\_\_\_