

THE STATE OF TEXAS ❖❖❖
 ❖❖❖
COUNTY OF HIDALGO ❖❖❖

SERVICE CONTRACT
C-07-004-06-12

THIS CONTRACT is made and entered into this 12th day of June, 2007 by and between the **COUNTY OF HIDALGO, TEXAS** ("County"), and **Roy's Hauling Service, Inc.** a Texas Corporation. ("Company").

WHEREAS, Company responded to advertised notices for bids for "**Hauling Services (Crushed Caliche) 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 agree 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 **Hidalgo County** 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 **June 12, 2007** and ending on **June 13, 2008**. 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 **Attn: Roy Balderas, Jr.
PO Box 1896
Edinburg, Texas 78539**

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.

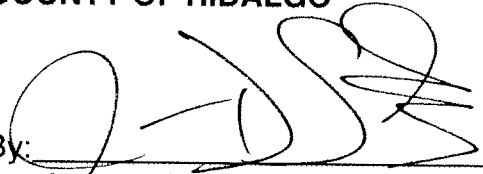
14. This Agreement may be terminated by either party without cause upon thirty (30) days written notice.

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 _____, 2007.

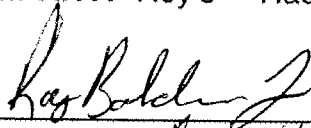
COUNTY OF HIDALGO

By: 
Juan D. Salinas, III, County Judge

ATTEST:


Arturo Guajardo Jr., County Clerk

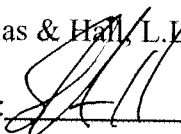
COMPANY: Roy's Hauling Services, Inc.

By: 
Printed Name: Key Balderas Jr
Title: Vice-Pres

Approved by Commissioners' Court on June 12, 2007.

APPROVED AS TO FORM:

Atlas & Hall, L.L.P.

By: 

**APPROVED BY
COMMISSIONERS' COURT**
ON: 6/12/07

EXHIBIT "A"
SPECIFICATIONS

HIDALGO COUNTY PRECINCT NO. 2
"HAULING SERVICES"
BID NO. 07-004-05-23-LRM
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. 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, 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. Contracts, at the County's sole discretion, may be extended for an additional (60) days. 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 & Progresso Plant Military Hwy & FM 1015

Type D Hot Mix - Limestone - Frontera Materials - La Joya Plant & Progresso 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 Precinct No.2 with copies 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 Laura Renteria-Moya. 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 100 East Cano, 4th Floor, Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

All written inquiries will be accepted via facsimile no later than, Wednesday, May 16, 2007 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, May 18, 2007.

**EXHIBIT “B”
PAYMENT SCHEDULE**

**HIDALGO COUNTY PRECINCT NO. 2
 "HAULING SERVICES"
 BID NO. 07-004-05-23-LRM
 BID PAGE FORM**

Award will be based on the lowest bid per ton meeting all required specifications.

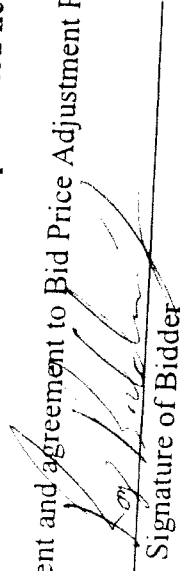
SAMPLE:	\$ 3.00	25%	.75
Location of Plant: Listed vendors are subject to be changed upon contract expiration	Total Cost Per Ton:	Fuel Costs Percentage Per Ton:	Current / Base Fuel Cost:
Hot Mix - Frontera Materials	NO BID		
Type D Hot Mix - Gravel - Frontera Materials	NO BID		
Type D Hot Mix - Limestone - Frontera Materials	NO BID		
Crushed Caliche - Frontera Materials and Martin Marietta	\$ 3.35 -FRONTERA: 490 PIT \$ 3.60 -FRONTERA: REAVIS PIT \$ 4.40 -MARTIN MARIETTA: JERICHO PIT	75% 75% 75%	\$ 2.51 \$ 2.70 \$ 3.30

Part II. BID PRICE ADJUSTMENT BY HIDALGO COUNTY PRECINCT NO. 2

At the time of bid opening South Texas is experiencing historic high fuel prices. Therefore, Hidalgo County Precinct No. 2 is requesting pricing adjustments based on the following: A Fuel Cost Base Bid Price for project will be based on the OPIS Fuel Index for May 14, 2007. For each 10% (increase or decrease) in the OPIS Index of May 14, 2007 during the contract term, the fuel cost(s) portion of the awarded bid price(s) will be adjusted accordingly. (As per above samples, a 10% increase is reflected as follows: \$ 1.00=\$1.10 and \$ 1.10=\$1.21; a 10% decrease is reflected as follows: \$1.00=\$0.90 and \$1.10=\$0.99) In the event you submit an invoice reflecting a price change under this provision, the Hidalgo County Precinct No. 2 will only honor the change if a copy of the OPIS report on which the change is based accompanies the invoice. Additionally, the Hidalgo County Precinct No. 2 reserves the right to independently verify changes in OPIS pricing and to modify an invoice amount based on a 10% change in the OPIS Index.

In determining whether price changes are permitted hereunder. The appropriate OPIS Index is the index issued of the date of the invoice.

acknowledgment and agreement to Bid Price Adjustment Part I & II for the term of the contract including any grace period extension.


 Signature of Bidder

05/23/07
 Date

**EXHIBIT “C”
INSURANCE
REQUIREMENTS**

ACORD CERTIFICATE OF LIABILITY INSURANCE

ROYSHAU

DATE (MM/DD/YYYY)
06/01/07

PRODUCER
ValMor Insurance Agency
1303 N. 10th Street, Ste 1
McAllen, Texas 78501

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
Roy's Hauling Service
P.O. Box 1896
Edinburg, Texas 78540

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A:	Unitrin Co. Mutual Ins.	
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADDL LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
		GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJ <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (EA OCCURRENCE) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
A		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	FCNCCV2300075	08/16/06	08/16/07	COMBINED SINGLE LIMIT (EA accident) \$ 500,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$ EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$ \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$ EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> EL EACH ACCIDENT \$ EL DISEASE - EA EMPLOYEE \$ EL DISEASE - POLICY LIMIT \$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER				WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> EL EACH ACCIDENT \$ EL DISEASE - EA EMPLOYEE \$ EL DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 1995 MACK #4810, 1999 MACK #1180, 2000 MACK #1349, 1998 INTL #4857,
 1999 INTL #6851, 2000 INTL #7950, 2000 INTL #7946, 2001 STERLING 6157,
 2001 STERLING # 8205

CERTIFICATE HOLDER

 County of Hidalgo
 Precinct No. 2
 100 E. Cano, 4th Floor
 Edinburg, Texas 78539

CANCELLATION
 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
 AUTHORIZED REPRESENTATIVE
Markus...
 YAA

ROY'S HAULING SERVICE, INC.
P.O. Box 1896 • Edinburg, Texas 78540



Fax Transmission

DATE: 07/24/07

TO: County of Hidalgo - Purchasing Dept.

VIA FAX #: 318-2629

ATTN: Laura Renteria-Moya

FROM: Hytima

PAGES: 2

RE:

Certificate of Insurance
Automobile Liability

Confidentiality Notice

This facsimile transmission (and/or the documents accompanying it) may contain confidential information belonging to the sender. The information is intended only for the use of the individual or entity name above. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this information is strictly prohibited. If you have received this information in error, please notify us immediately by collect telephone call to arrange for the return of these documents.

Client#: 9117

ROYSHAU

DATE (MM/DD/YYYY)
05/08/07

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

PRODUCER
Hilb Rogal & Hobbs
(956)682-9423 FAX(956)687-1286
1400 N McColl Rd Suite 105
McAllen, TX 78501

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: USF Insurance Company	25887
INSURER B: Texas Mutual Insurance Company	22945
INSURER C:	
INSURER D:	
INSURER E:	

INSURED
Roy's Hauling Service
P O Box 1896
Edinburg, TX 78540

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INBR LTR	ADD'L INSRS	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY	LGBGL55082	10/27/06	10/27/07	EACH OCCURRENCE	\$1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$100,000
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$5,000
		<input checked="" type="checkbox"/> B/PPD				PERSONAL & ADV INJURY	\$1,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER:				GENERAL AGGREGATE	\$2,000,000
		<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				PRODUCTS - COM/PROP AGG	\$
		AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident)	\$
		<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
		<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
		<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	\$
<input type="checkbox"/> HIRED AUTOS	AUTO ONLY - EA ACCIDENT	\$					
<input type="checkbox"/> NON-OWNED AUTOS	OTHER THAN EA ACC AGG	\$					
GARAGE LIABILITY							
<input type="checkbox"/> ANY AUTO							
EXCESS/UMBRELLA LIABILITY							
<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE							
<input type="checkbox"/> DEDUCTIBLE							
<input type="checkbox"/> RETENTION \$							
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	TSF0001155668	03/31/07	03/31/08	WC STATU-TORY LIMITS	OTH-ER
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	\$500,000
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	\$500,000
		OTHER				E.L. DISEASE - POLICY LIMIT	\$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER

County of Hidalgo
100 E. Cano, 4th Floor
Edinburg, Texas 78539

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Brian E Lewis

NLD

© ACORD CORPORATION 1988

TEXAS COMMERCIAL LIABILITY INSURANCE CARD	
Name and Address of Insured Nombre y Direccion del Asegurado ROYS HAULING SERVICE INC PO BOX 1896 EDINBURG TX 78540	Insurance Company - Compañia de Seguro Unitrin County Mutual Insurance Company Executive Center II 8360 LBJ Freeway, Dallas, TX 75243 (800) 456-1919 (Claims and Customer Service)
	Agent - Agente VALMOR INS AGCY INC 956-630-3081
	Year Vehicle Make / Model Ano Marca de Vehiculo / Modelo 1995 MACK TRACTOR 1M1AA12Y8SW044810
Policy Number - Numero de Poliza FCNCCV2300075-01	
Effective Date - Fecha Efectiva 08/16/2006	
Expiration Date - Fecha de Expiracion 08/16/2007	
<small>This policy provides at least the minimum amounts of liability insurance required by the Texas Motor Vehicle Safety Responsibility Act for the specified vehicle and named insured and may provide coverage for other persons and other vehicles as provided by the insurance policy.</small>	<small>Esta póliza proporciona las cantidades mínimas de seguro responsabilidad requerida por el acto de la responsabilidad de la seguridad del vehículo de motor de Tejas para el vehículo especificado y los asegurados nombrados y puede proporcionar la cobertura para otras personas y otros vehículos en la manera prevista por la póliza de seguro.</small>

KEEP THIS LIABILITY INSURANCE CARD IN YOUR VEHICLE OR POSSESSION

TEXAS COMMERCIAL LIABILITY INSURANCE CARD	
Name and Address of Insured Nombre y Direccion del Asegurado ROYS HAULING SERVICE INC PO BOX 1896 EDINBURG TX 78540	Insurance Company - Compañia de Seguro Unitrin County Mutual Insurance Company Executive Center II 8360 LBJ Freeway, Dallas, TX 75243 (800) 456-1919 (Claims and Customer Service)
	Agent - Agente VALMOR INS AGCY INC 956-630-3081
	Year Vehicle Make / Model Ano Marca de Vehiculo / Modelo 1999 MACK TRACTOR 1M1AA12Y9XW111180
Policy Number - Numero de Poliza FCNCCV2300075-01	
Effective Date - Fecha Efectiva 08/16/2006	
Expiration Date - Fecha de Expiracion 08/16/2007	
<small>This policy provides at least the minimum amounts of liability insurance required by the Texas Motor Vehicle Safety Responsibility Act for the specified vehicle and named insured and may provide coverage for other persons and other vehicles as provided by the insurance policy.</small>	<small>Esta póliza proporciona las cantidades mínimas de seguro responsabilidad requerida por el acto de la responsabilidad de la seguridad del vehículo de motor de Texas para el vehículo especificado y los asegurados nombrados y puede proporcionar la cobertura para otras personas y otros vehículos en la manera prevista por la póliza de seguro.</small>

KEEP THIS LIABILITY INSURANCE CARD IN YOUR VEHICLE OR POSSESSION

TEXAS COMMERCIAL LIABILITY INSURANCE CARD	
Name and Address of Insured Nombre y Direccion del Asegurado ROYS HAULING SERVICE INC PO BOX 1896 EDINBURG TX 78540	Insurance Company - Compañia de Seguro Unitrin County Mutual Insurance Company Executive Center II 8360 LBJ Freeway, Dallas, TX 75243 (800) 456-1919 (Claims and Customer Service)
	Agent - Agente VALMOR INS AGCY INC 956-630-3081
	Year Vehicle Make / Model Ano Marca de Vehiculo / Modelo 2000 MACK TRACTOR 1M1AA13Y2YW131349
Policy Number - Numero de Poliza FCNCCV2300075-01	
Effective Date - Fecha Efectiva 08/16/2006	
Expiration Date - Fecha de Expiracion 08/16/2007	
<small>This policy provides at least the minimum amounts of liability insurance required by the Texas Motor Vehicle Safety Responsibility Act for the specified vehicle and named insured and may provide coverage for other persons and other vehicles as provided by the insurance policy.</small>	<small>Esta póliza proporciona las cantidades mínimas de seguro responsabilidad requerida por el acto de la responsabilidad de la seguridad del vehículo de motor de Tejas para el vehículo especificado y los asegurados nombrados y puede proporcionar la cobertura para otras personas y otros vehículos en la manera prevista por la póliza de seguro.</small>

KEEP THIS LIABILITY INSURANCE CARD IN YOUR VEHICLE OR POSSESSION

TEXAS COMMERCIAL LIABILITY INSURANCE CARD	
Name and Address of Insured Nombre y Direccion del Asegurado ROYS HAULING SERVICE INC PO BOX 1896 EDINBURG TX 78540	Insurance Company - Compañia de Seguro Unitrin County Mutual Insurance Company Executive Center II 8360 LBJ Freeway, Dallas, TX 75243 (800) 456-1919 (Claims and Customer Service)
	Agent - Agente VALMOR INS AGCY INC 956-630-3081
	Year Vehicle Make / Model Ano Marca de Vehiculo / Modelo 1988 INTERNATIONAL TRACTOR 2HSFHAER3WC044857
Policy Number - Numero de Poliza FCNCCV2300075-01	
Effective Date - Fecha Efectiva 08/16/2006	
Expiration Date - Fecha de Expiracion 08/16/2007	
<small>This policy provides at least the minimum amounts of liability insurance required by the Texas Motor Vehicle Safety Responsibility Act for the specified vehicle and named insured and may provide coverage for other persons and other vehicles as provided by the insurance policy.</small>	<small>Esta póliza proporciona las cantidades mínimas de seguro responsabilidad requerida por el acto de la responsabilidad de la seguridad del vehículo de motor de Texas para el vehículo especificado y los asegurados nombrados y puede proporcionar la cobertura para otras personas y otros vehículos en la manera prevista por la póliza de seguro.</small>

KEEP THIS LIABILITY INSURANCE CARD IN YOUR VEHICLE OR POSSESSION

TEXAS COMMERCIAL LIABILITY INSURANCE CARD	
Name and Address of Insured Nombre y Direccion del Asegurado ROYS HAULING SERVICE INC PO BOX 1896 EDINBURG TX 78540	Insurance Company - Compañia de Seguro Unitrin County Mutual Insurance Company Executive Center II 8360 LBJ Freeway, Dallas, TX 75243 (800) 456-1919 (Claims and Customer Service)
	Agent - Agente VALMOR INS AGCY INC 956-630-3081
	Year Vehicle Make / Model Ano Marca de Vehiculo / Modelo 1999 INTERNATIONAL TRACTOR 2HSFHAER0XC066851
	Policy Number - Numero de Poliza FCNCCV2300075-01
Effective Date - Fecha Efectiva 08/16/2006	
Expiration Date - Fecha de Expiracion 08/16/2007	
<small>This policy provides at least the minimum amounts of liability insurance required by the Texas Motor Vehicle Safety Responsibility Act for the specified vehicle and named insured and may provide coverage for other persons and other vehicles as provided by the insurance policy.</small>	<small>Esta póliza proporciona las cantidades mínimas de seguro responsabilidad requerida por el acto de la responsabilidad de la seguridad del vehículo de motor de Texas para el vehículo especificado y los asegurados nombrados y puede proporcionar la cobertura para otras personas y otros vehículos en la manera prevista por la póliza de seguro.</small>

KEEP THIS LIABILITY INSURANCE CARD IN YOUR VEHICLE OR POSSESSION

TEXAS COMMERCIAL LIABILITY INSURANCE CARD**Insurance Company - Compañia de Seguro**
Unitrin County Mutual Insurance Company
Executive Center II
8360 LBJ Freeway, Dallas, TX 75243
(800) 456-1919 (Claims and Customer Service)**Name and Address of Insured**
Nombre y Direccion del Asegurado
ROY'S HAULING SERVICE INC
PO BOX 1896
EDINBURG TX 78540**Agent - Agente**
VALMOR INS AGCY INC
956-630-3081**Year Vehicle Make / Model**
Ano Marca de Vehiculo / Modelo
2000 INTERNATIONAL TRACTOR
2HSFTAER0YC037950**Policy Number - Numero de Poliza**

FCNCCV2300075-01

Effective Date - Fecha Efectiva

08/16/2006

Expiration Date - Fecha de Expiracion

08/16/2007

This policy provides at least the minimum amounts of liability insurance required by the Texas Motor Vehicle Safety Responsibility Act for the specified vehicle and named insured and may provide coverage for other persons and other vehicles as provided by the insurance policy.

Esta póliza proporciona las cantidades mínimas de seguro responsabilidad requerida por el acto de la responsabilidad de la seguridad del vehículo de motor de Texas para el vehículo especificado y los asegurados nombrados y puede proporcionar la cobertura para otras personas y otros vehículos en la manera prevista por la póliza de seguro.

KEEP THIS LIABILITY INSURANCE CARD IN YOUR VEHICLE OR POSSESSION

TEXAS COMMERCIAL LIABILITY INSURANCE CARD	
Name and Address of Insured Nombre y Direccion del Asegurado ROYS HAULING SERVICE INC PO BOX 1896 EDINBURG TX 78540	Insurance Company - Compañia de Seguro Unitrin County Mutual Insurance Company Executive Center II 8360 LBJ Freeway, Dallas, TX 75243 (800) 456-1919 (Claims and Customer Service)
	Agent - Agente VALMOR INS AGCY INC 956-630-3081
	Year Vehicle Make / Model Ano Marca de Vehiculo / Modelo 2000 INTERNATIONAL TRACTOR 2HSFTAER9YC037946
	Policy Number - Numero de Poliza FCNCCV2300075-01
Effective Date - Fecha Efectiva 08/16/2006	
Expiration Date - Fecha de Expiracion 08/16/2007	
<small>This policy provides at least the minimum amounts of liability insurance required by the Texas Motor Vehicle Safety Responsibility Act for the specified vehicle and named insured and may provide coverage for other persons and other vehicles as provided by the insurance policy.</small>	<small>Esta póliza proporciona las cantidades mínimas de seguro responsabilidad requerida por el acto de la responsabilidad de la seguridad del vehículo de motor de Texas para el vehículo especificado y los asegurados nombrados y puede proporcionar la cobertura para otras personas y otros vehículos en la manera prevista por la póliza de seguro.</small>

KEEP THIS LIABILITY INSURANCE CARD IN YOUR VEHICLE OR POSSESSION

TEXAS COMMERCIAL LIABILITY INSURANCE CARD	
Name and Address of Insured Nombre y Direccion del Asegurado ROYS HAULING SERVICE INC PO BOX 1896 EDINBURG TX 78540	Insurance Company - Compañia de Seguro Unitrin County Mutual Insurance Company Executive Center II 8360 LBJ Freeway, Dallas, TX 75243 (800) 456-1919 (Claims and Customer Service)
	Agent - Agente VALMOR INS AGCY INC 956-630-3081
	Year Vehicle Make / Model Ano Marca de Vehiculo / Modelo 2001 STERLING TRACTOR 2FWJA3AV71AH86157
Policy Number - Numero de Poliza FCNCCV2300075-01	
Effective Date - Fecha Efectiva 08/16/2006	
Expiration Date - Fecha de Expiracion 08/16/2007	
<small>This policy provides at least the minimum amounts of liability insurance required by the Texas Motor Vehicle Safety Responsibility Act for the specified vehicle and named insured and may provide coverage for other persons and other vehicles as provided by the insurance policy.</small>	<small>Esta póliza proporciona las cantidades mínimas de seguro responsabilidad requerida por el acto de la responsabilidad de la seguridad del vehículo de motor de Tejas para el vehículo especificado y los asegurados nombrados y puede proporcionar la cobertura para otras personas y otros vehículos en la manera prevista por la póliza de seguro.</small>

KEEP THIS LIABILITY INSURANCE CARD IN YOUR VEHICLE OR POSSESSION

TEXAS COMMERCIAL LIABILITY INSURANCE CARD

Insurance Company - Compañia de Seguro
Unitrin County Mutual Insurance Company
Executive Center II
8360 LBJ Freeway, Dallas, TX 75243
(800) 456-1919 (Claims and Customer Service)

**Name and Address of Insured
Nombre y Direccion del Asegurado**

ROYS HAULING SERVICE INC
PO BOX 1896
EDINBURG TX 78540

Agent - Agente

VALMOR INS AGCY INC
956-630-3081

**Year Vehicle Make / Model
Año Marca de Vehiculo / Modelo**

2001 STERLING TRACTOR
2FWJA3AV21AH88205

Policy Number - Numero de Poliza

FCNCCV2300075-01

Effective Date - Fecha Efectiva

08/16/2006

Expiration Date - Fecha de Expiracion

08/16/2007

This policy provides at least the minimum amounts of liability insurance required by the Texas Motor Vehicle Safety Responsibility Act for the specified vehicle and named insured and may provide coverage for other persons and other vehicles as provided by the insurance policy.

Esta póliza proporciona las cantidades mínimas de seguro responsabilidad requerida por el acto de la responsabilidad de la seguridad del vehículo de motor de Texas para el vehículo especificado y los asegurados nombrados y puede proporcionar la cobertura para otras personas y otros vehículos en la manera prevista por la póliza de seguro.

KEEP THIS LIABILITY INSURANCE CARD IN YOUR VEHICLE OR POSSESSION

HIDALGO COUNTY PRECINCT NO. 2
"HAULING SERVICES"
BID NO. 07-004-05-23-LRM
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. 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, 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. Contracts, at the County's sole discretion, may be extended for an additional (60) days. 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 & Progresso Plant Military Hwy & FM 1015

Type D Hot Mix - Limestone - Frontera Materials - La Joya Plant & Progresso 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 Precinct No.2 with copies 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 Laura Renteria-Moya. 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 100 East Cano, 4th Floor, Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

All written inquiries will be accepted via facsimile no later than, Wednesday, May 16, 2007 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, May 18, 2007.

HIDALGO COUNTY PRECINCT NO. 2
"HAULING SERVICES"
BID NO. 07-004-05-23-LRM
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. 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, 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. Contracts, at the County's sole discretion, may be extended for an additional (60) days. 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 & Progresso Plant Military Hwy & FM 1015

Type D Hot Mix - Limestone - Frontera Materials - La Joya Plant & Progresso 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 Precinct No.2 with copies 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 Laura Renteria-Moya. 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 100 East Cano, 4th Floor, Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

All written inquiries will be accepted via facsimile no later than, Wednesday, May 16, 2007 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, May 18, 2007.