

THE STATE OF TEXAS    §  
                                  §  
COUNTY OF HIDALGO   §

**SERVICE CONTRACT  
C-07-115-12-11**

THIS CONTRACT is made and entered into this 11<sup>th</sup> day of December , 2007 by and between the COUNTY OF HIDALGO, TEXAS ("County"), and Upper Valley Mail Services, LLP, a Limited Liability Partnership("Company").

WHEREAS, Company responded to request for bids for "MAILING SERVICES " (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 various locations (as provided in Exhibit "A") within Hidalgo County for "Mailing Services". 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 Director 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 January 01, 2008 ending December 31, 2008 and may be extended at the sole discretion of County for an additional one (1) year term under the same rates, terms & conditions, unless this Contract is terminated pursuant to the provisions herein, whichever occurs first.

4. County and Seller agree that either party may terminate this contract upon thirty (30) days written notice at any time for any reason or no reason at all.

5. 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                   **Upper Valley Mail Services LLP**  
  **Attn: Patrick Hettler**  
  **1418 Beech Ste 109**  
  **McAllen, Texas 78501**

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.

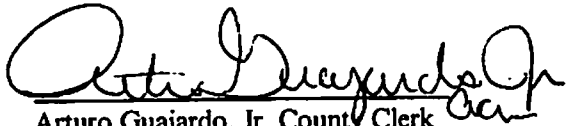
16. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and shall be performable in Hidalgo County.

WITNESS our hands in duplicate originals this \_\_\_\_\_ day of \_\_\_\_\_ 2007.

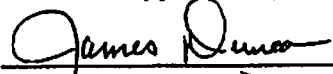
COUNTY OF HIDALGO

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

ATTEST:

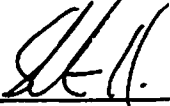
  
\_\_\_\_\_  
Arturo Guajardo, Jr. County Clerk

COMPANY: Upper Valley Mail Services.

By:   
\_\_\_\_\_  
Printed Name: JAMES DUNCAN  
Title: CO-DWNM

Approved by Commissioners' Court on December 11, 2007

Approved as to form:  
Atlas & Hall, L.L.P

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

**EXHIBIT "A"**  
**SPECIFICATIONS**

## EXHIBIT "A"

### HIDALGO COUNTY "MAILING SERVICES" BID NO. 2007-115-11-28-SMA

#### SPECIFICATIONS

THE FOLLOWING ARE THE MINIMUM SPECIFICATIONS (AND INFORMATION) FOR "MAILING SERVICES" FOR HIDALGO COUNTY:

1. There will be a daily pick up, bar coding, sorting and delivery (**postage excluded**) of **all** qualifying U.S. Mail (packages, flats, letters, post cards, etc.), including UPS, Federal Express, Lone Star Overnight, non-freight packages, etc. (at no additional cost), with **no minimum daily quantity, and on an as needed basis.**
2. The postage of all mail will continue to be processed by the Central Mail Room. The standard operating procedure at both the Hidalgo County Courthouse and Administration Building to date has been that the Buildings and Grounds personnel picks up the departments' outgoing mail on a daily basis and delivers it to the Central Mail Room where it is stamped. Vendor shall inform the Central Mail Room personnel of any special mail rates (i.e., postcards, overnight packages, etc.) to ensure that all reduced rates which vendor receives are passed on to Hidalgo County.
3. Mailing Service shall be by an **insured and bonded carrier** and **all** mail will be picked up and delivered on **all** government operating days on a set daily pick up and delivery time (schedule). The departments opting to receive this mail pick up service shall coordinate with service provider. Once a schedule is agreed upon, there shall be no deviations in the routine without the department's prior consent.
4. Mail will be picked up from the Central Mail Room located at the Hidalgo County Courthouse in Edinburg **and all** of the Hidalgo County departments and programs (i.e., satellite locations, WIC Offices, Precinct Offices, CSA, and Head-Start sites, etc) requesting mailing services, on **"as needed basis"**.

5. The mail will be processed and delivered as applicable (i.e., 1<sup>st</sup> class, standard mail, 3<sup>rd</sup> Class, international, parcel post, priority mail, express mail and USPS bulk rate drop) to the post office location which is most advantageous to Hidalgo County (either the Edinburg or McAllen Post Office) on the same day the mail is picked up.
6. The awarded bidder shall submit to Hidalgo County a detailed monthly invoice of daily mailing services.
7. The awarded bidder shall sort all bar code:
  - a) All qualifying envelopes and flats, from one (1) ounce to one (1) pound;
  - b) Post Cards (at a special mailing rate of defray the bar coding cost); and
  - c) Packages exceeding one (1) pound.

## TERMS AND CONDITIONS

1. The initial term of the contract shall be for the period beginning January 1, 2008 and ending on December 31, 2008 and may be extended at the sole discretion of Hidalgo County for an additional one (1) year term under the same rate, terms and conditions.
2. Hidalgo County reserves the right to extend the contract for an additional sixty (60) day grace period at the end of the contract term due to unforeseen delay in the procurement of subsequent bid process.
3. The bidder who is awarded will ensure with a written guarantee that all qualifying mail is picked up and delivered promptly on a daily, and "as needed," basis.
4. Arrangements will be made by the awarded bidder on the set daily time for mail to be picked up with each of the respective departments of Hidalgo County requesting mailing services.
5. The bidder who is awarded will ensure that all insurance documentation as per Exhibit "C" will be submitted to the Hidalgo County Purchasing Department on a timely manner.

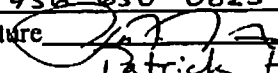
**EXHIBIT "B"**  
**FEE SCHEDULE**

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**EXHIBIT "B"**  
**HIDALGO COUNTY**  
**"MAILING SERVICES"**  
**BID NO. 2007-115-11-28-SMA**

**BID SHEET**

MAILING SERVICES AND BAR CODING		
DESCRIPTION	PICK UP AND DELIVERY	BAR CODING
Price per Letter Picked Up:	- 0 -	\$ 0.055
Price per Package Picked Up:	- 0 -	- 0 -
Price per Bulk Picked Up:	- 0 -	\$ .055
<b>Other Prices, If Applicable, See Below, (i.e., Post Cards, Federal Express, Lone Star Overnight, etc.):</b>		
Price per Post Card Picked Up:	- 0 -	\$ 0.03
Price per Federal Express Picked Up:	- 0 -	- 0 -
Price per Lone Star Overnight Picked Up:	- 0 -	- 0 -
Price per UPS Package Picked Up:	- 0 -	- 0 -
<p><b>NOTE: Vendor is to provide a Price Schedule to facilitate the tabulation of the bid received. The term of the contract will be effective January 1, 2008, subject to Commissioner's Court approval through December 31, 2008. Hidalgo County also reserves the option to extend the contract for an additional one (1) year renewal under the same rates/fees, terms, and conditions.</b></p> <p>All costs and expenses associated with the preparation and submission of (bids, proposals/and or quotes) shall be the responsibility of the bidder and no reimbursements for such charges or expenses shall be passed onto Hidalgo County.</p>		

Bidders Name: Upper Valley Mail Services LLP  
 Address: 1418 Beech Ave Ste 109  
 City/State/Zip Code: McAllen TX 78501  
 Phone Number: 956-668-7678  
 Fax Number: 956-630-0825  
 Authorized Signature:   
 Printed Name: Patricia Hettler  
 Title: Co-owner  
 Date: 11/20/07

**EXHIBIT "C"**  
**INSURANCE**

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Client#: 6

EVAL2

ACORD CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 12/20/07
<b>PRODUCER</b> 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.
<b>INSURED</b> Upper Valley Mail Services 105 E Upas 1418 Beech suite 109 (Business Address) McAllen, TX 78501		
		<b>INSURERS AFFORDING COVERAGE</b>
		<b>INSURER A:</b> Travelers Lloyds Insurance Company
		<b>INSURER B:</b> Hartford Underwriters Ins Co
		<b>INSURER C:</b> Travelers Indemnity
		<b>INSURER D:</b>
		<b>INSURER E:</b>
		<b>NAIC #</b>
		<b>39357</b>
		<b>30104</b>
		<b>25682</b>

## 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 INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
A	X	GENERAL LIABILITY	6605929B177TLC06	02/22/07	02/22/08	EACH OCCURRENCE	\$1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJ. JECT <input type="checkbox"/> LOC				DAMAGE TO RENTED PREMISES (EA occurrence) \$100,000 MED EXP (Any one person) \$5,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$1,000,000 PRODUCTS - COMP/OP AGG \$1,000,000	
C		AUTOMOBILE LIABILITY	BA5929B16507	02/22/07	02/22/08	COMBINED SINGLE LIMIT (Ea accident)	\$1,000,000
		<input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$	
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$	
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	\$
		<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$				AGGREGATE	\$
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	65WECGE8018	07/19/07	07/19/08	<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER				E.L. EACH ACCIDENT	\$500,000
						E.L. DISEASE - EA EMPLOYEE	\$500,000
						E.L. DISEASE - POLICY LIMIT	\$500,000

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

The certificate holder is named as additional insured on the General Liability policy.  
 Waiver of subrogation are included on general liability and workers compensation policies  
 In favor of Hidalgo County.

## CERTIFICATE HOLDER

Hidalgo County  
 2802 S Closer Blvd  
 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

*Brian E Lewis*

<b>ACORD™ CERTIFICATE OF LIABILITY INSURANCE</b>		DATE (MM/DD/YYYY) 02/21/08
PRODUCER <b>Hilb Rogal &amp; Hobbs</b> (956)882-9423 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.	
INSURED <b>Upper Valley Mail Services</b> 105 E Upas 1418 Beech suite 109 (Business Address) McAllen, TX 78501	INSURERS AFFORDING COVERAGE INSURER A: <b>Travelers Lloyds Insurance Company</b> INSURER B: <b>Hartford Underwriters Ins Co</b> INSURER C: <b>Travelers Indemnity</b> INSURER D: INSURER E:	NAIC # 39357 30104 25682

**COVERAGES**

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INSR LTR	ADD'L INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	16605929B177TLC06	02/22/08	02/22/09	EACH OCCURRENCE	\$1,000,000
						DAMAGE TO RENTED PREMISES (Per occurrence)	\$100,000
						MED EXP (Any one person)	\$5,000
						PERSONAL & ADV INJURY	\$1,000,000
						GENERAL AGGREGATE	\$1,000,000
						PRODUCTS - COMP/OP AGG	\$1,000,000
C		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	BA5929B16507	02/22/08	02/22/09	COMBINED SINGLE LIMIT (Per accident)	\$1,000,000
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
						OTHER THAN AUTO ONLY EA ACC	\$
						AGG	\$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE	\$
						AGGREGATE	\$
							\$
							\$
B		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (If yes, describe under SPECIAL PROVISIONS below)	65WECGE8018	07/19/07	07/19/08	WC STATU- TORY LIMITS	OTH- ER
		OTHER				E.L. EACH ACCIDENT	\$500,000
						E.L. DISEASE - EA EMPLOYEE	\$500,000
						E.L. DISEASE - POLICY LIMIT	\$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
 The certificate holder is named as additional insured on the General Liability policy.  
 Waiver of subrogation are included on general liability and workers compensation policies in favor of Hidalgo County.

**CERTIFICATE HOLDER**

Hidalgo County-Auditors  
 2802 S Closser Blvd  
 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

*Brian E Lewis*