AI-11319 **5.A.**

Independent Audit Report for 2007
CC REGULAR

Date: 09/30/2008
Submitted By: Becky Morales, AUDITOR'S OFFICE
Submitted For: Ray Eufracio
Department: AUDITOR'S OFFICE
Agenda Area: Auditor's Office

Information

CAPTION

Presentation of Independent Audit Report for the year ended December 31, 2007-Burton McCumber & Cortez.

BACKGROUND

Fiscal Impact

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/23/2008 11:48 AM	APRV
2	Veronica Lopez	Veronica Lopez	09/24/2008 08:15 AM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 12:06 PM	APRV
4	Purchasing Department	Marty Salazar	09/26/2008 01:26 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 01:48 PM	APRV

Form Started By: Becky Morales Started On: 09/23/2008 11:27 AM

Final Approval Date: 09/26/2008

AI-11379 **6.A.**

Appt. of Rail Commuter District Board Members - PCt 3 & 4
CC REGULAR

Date: 09/30/2008
Submitted By: Monica Badillo, BUDGET & MANAGEMENT
Department: BUDGET & MANAGEMENT
Agenda Area: Comm. Court Executive Officer

Information

CAPTION

Appointment of member to the Commuter Rail District Board for Pct. #3 & Pct. #4

BACKGROUND

Pcts. #3 & # 4 will appoint one (1) member each.

Fiscal Impact

FISCAL YEAR: **ACCT. #:**
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

No Budgetary Impact.

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/24/2008 04:19 PM	APRV
2	Manuel Chapa	Manuel Chapa	09/25/2008 01:14 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:59 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Monica Badillo — Started On: 09/24/2008 03:58 PM

Final Approval Date: 09/26/2008

AI-11436 **6.B.**

Appropriation

CC REGULAR

Date: 09/30/2008

Submitted By: Erika Reyna, BUDGET & MANAGEMENT

Department: BUDGET & MANAGEMENT

Agenda Area: Comm. Court Executive Officer

Information

CAPTION

1. Authorization for County Treasurer to issue payment to Ashbrit Environmental,Inc. for invoices totaling $6,186,134.59 after Auditor review and audit procedures have been completed.

2. Approval and authorization to appropriate $1,546,533.65.(25% of Ashbrit Invoices) from General Fund unreserved fund balance as per Texas Local Government Code Section 111.070 to address emergency expenditures related to Hurricane Dolly.

3. Approval and authorization to set up a receivable account in the amount of $4,639,600.94 which represent a 75% reimbursement from FEMA and or Local Jurisdictions for debris removal and water extraction services.

BACKGROUND

Funding is being appropriated for debris removal contractual obligations

Fiscal Impact

FISCAL YEAR: **ACCT. #:**

FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Funding available as of 09/26/08.

Attachments

Link: BA

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Rey Salazar	Rey Salazar	09/26/2008 06:02 PM	APRV
2	Budget & Management		09/26/2008 06:03 PM	NEW
Form Started By: Erika Reyna			Started On: 09/26/2008 09:40 AM	
Final Approval Date: 09/26/2008				

DATE: September 26, 2008

DEPARTMENT HEAD: Valde Guerra

DEPARTMENT NAME: Dept. of Budget & Mgmt for Hurricane Dolly (1100)

ACCOUNT NUMBER: 8-1100-415-00-115-072-0-350

Contact Person: Rey Salazar **Ph#** (956) 292-7025 Ext. 5426

SUBJECT: Budget Amendments (Increases) in Accordance with Local Government Code, Chapter 111, Subchapter C

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following amendments (increases) to my department budget in accordance with Local Government Code, Chapter 111, Subchapter C.

INCREASE ACCOUNT NUMBER(S)	ACCOUNT (OBJECT) NAME	AMOUNT
8-1100-415-00-115-072-0-350	HURRICANE DOLLY - CONTRACTUAL SERVICES	1,546,533.65
	TOTAL BUDGET INCREASE (DECREASE)	$ 1,546,533.65

REASON: To appropriate funding for debris collection and removal contractual obligations related to Hurricane Dolly.

DEPARTMENT HEAD SIGNATURE

APPROVED COMMISSIONERS' COURT

/ /
DATE

ATTEST COUNTY CLERK

AI-11443 **6.C.**

2009 Holiday Schedule
CC REGULAR

Date: 09/30/2008
Submitted By: Monica Badillo, BUDGET & MANAGEMENT
Department: BUDGET & MANAGEMENT
Agenda Area: Comm. Court Executive Officer

Information

CAPTION

Approval of 2009 Proposed Holiday Schedule

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:**
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

No funding needed for this item.

Attachments

Link: proposed

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/26/2008 02:58 PM	APRV
2	Veronica Lopez	Veronica Lopez	09/26/2008 03:01 PM	APRV
3	Auditor's Office		09/26/2008 06:03 PM	NEW
Form Started By: Monica Badillo			Started On: 09/26/2008 01:58 PM	
Final Approval Date: 09/26/2008				

HIDALGO COUNTY
2009 PROPOSED HOLIDAYS

New Year's Day	**January 01, 2009 (Thursday)**
Martin Luther King Day	**January 19, 2009 (Monday)**
Presidents' Day	**February 16, 2009 (Monday)**
Good Friday	**April 10, 2009 (Friday)**
Memorial Day	**May 25, 2009 (Monday)**
Independence Day	**July 03, 2009 (Friday)**
Labor Day	**September 07, 2009 (Monday)**
Columbus Day	**October 12, 2009 (Monday)**
Veterans' Day	**November 11, 2009 (Wed.)**
Thanksgiving Day	**November 26-27, 2009 (Thursday/Friday)**
Christmas Day	**December 25 & 28, 2009 (Friday/Monday) OR December 24 & 25, 2009 (Thursday/Friday)**
Total Holidays	**13 days**

Approved by Commissioners' Court on _____

***Note: There will not be early release on Thanksgiving or Christmas. The holidays listed are the only approved holidays.**

AI-11452 **6.D.**

Risk Management Specialist
CC REGULAR

Date: 09/30/2008
Submitted By: Angela Garcia, BUDGET & MANAGEMENT
Department: BUDGET & MANAGEMENT
Agenda Area: Comm. Court Executive Officer

Information

CAPTION

1. Approval to waive Civil Service Comm. Rules Sections 3.22 - 3.24 to reclassify position slot #115-001-0022, Community Resource Center Coordinator, Budgeted Salary $30,000, to Risk Management Specialist (Head Start) - Budgeted Salary $37,000 position slot number 115-060-0002.
2. Approval of revised salary schedule.

BACKGROUND

Fiscal Impact

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/26/2008 05:09 PM	APRV
2	Erika Reyna		09/26/2008 06:03 PM	NEW

Form Started By: Angela Garcia Started On: 09/26/2008 04:36 PM

Final Approval Date: 09/26/2008

AI-11356 **7.A.**

2008 interdepartmental transfer from Contingency to B & G Bldg R & M Services (1100)

CC REGULAR

Date: 09/30/2008
Submitted By: Dale Kennan, BUDGET & MANAGEMENT
Submitted For: Buildings & Grounds
Department: BUDGET & MANAGEMENT
Agenda Area: Budget and Management

Information

CAPTION

Buildings & Grounds:
Approval of 2008 interdepartmental transfer from Countywide Administration - Contingency to Buildings & Grounds (1100) in the amount of $150,000.00.

BACKGROUND

To fund expected Bldg R & M Services expenditures.

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-41X-X0-XXX-00X-0-XXX
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

From 8-1100-415-00-115-002-0-899 to 8-1100-419-40-220-001-0-431 in the amount of $150,000.00. Funding available for transfer as of 9/24/08.

Attachments

Link: 2008 interdpt for B&G (1100)

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/24/2008 02:45 PM	APRV
2	Ivan Cantu	Ivan Cantu	09/24/2008 04:02 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:39 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Dale Kennan Started On: 09/24/2008 02:08 PM

Final Approval Date: 09/26/2008

DATE: September 24, 2008

2008
Transfer

DEPARTMENT HEAD: Valde Guerra

DEPARTMENT NAME: Department of Budget & Management for Buildings & Grounds (1100)

ACCOUNT NUMBER: 8-1100-41X-X0-XXX-00X-0-XXX

SUBJECT: **Interdepartmental transfer(s)** (increase (decrease)) in accordance with Local Government Code, Chapter 111, § 111.070, Item C (2).

Contact: Dale Kennan
Ph#: 292-7025 Ext. 5406

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Interdepartmental transfer(s) (increase (decrease)) in accordance with Local Government Code, Chapter 111, § 111.070, Item C (2).

ACCOUNT NUMBER	ACCOUNT NAME	INCREASE (DECREASE) AMOUNT
8-1100-415-00-115-002-0-899	CO WIDE ADM-CONTINGENCY	(150,000.00)
8-1100-419-40-220-001-0-431	GEN GOVT BLDG-BLDG R&M SERVICE	$150,000.00
	TOTAL BUDGET INCREASE (DECREASE)	**0.00**

REASON:
Transfer from CO WIDE ADM-CONTINGENCY to GEN GOVT BLDG-BLDG R&M SERVICE to fund pending and future building repair and maintenance.

DEPARTMENT HEAD SIGNATURE

APPROVED COMMISSIONERS' COURT

DATE / /

ATTEST COUNTY CLERK

AI-11429 **7.B.**

2008 transfers for various Pct 2 Departments.

CC REGULAR

Date: 09/30/2008
Submitted By: Dale Kennan, BUDGET & MANAGEMENT
Submitted For: Precinct 2
Department: BUDGET & MANAGEMENT
Agenda Area: Budget and Management

Information

CAPTION

The following transfers are to fund the purchase of Security equipment from Simplex Grinnell for various Precinct 2 Departments:
1. Approval of 2008 intradepartmental transfer for County Wide Shop in the amount of $17,977.31 (1200).
2. Approval of 2008 intradepartmental transfer for Precinct 2 - Parks in the amount of $10,526.37 (1212).
3. Approval of 2008 interdepartmental transfer from County Wide Administration to various Precinct 2 Departments in the total amount of $39,388.25. (1100)

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1200-431-00-122-004-0-890
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

890-->748 $17,977.31; available balance as of 9/26/08 $34,040.13.

FISCAL YEAR: 2008 **ACCT. #:** 8-1212-452-00-122-008-0-890
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

890-->748 $10,526.37; available balance as of 9-26-08 $362,133.89.

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-415-00-115-002-0-899
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

8-1100-415-00-115-002-0-899-->8-1100-466-00-122-082-0-748 $14,578.43
8-1100-415-00-115-002-0-899-->8-1100-432-00-122-001-0-748 $11,150.16
8-1100-415-00-115-002-0-899-->8-1100-466-00-122-018-0-748 $13,659.66

Available balance as of 9-26-08 $1,178,532.60

Attachments

Link: 2008 Intra for Co Wide Shop (1200)

Link: 2008 Intra for Pct 2 Parks (1212)

Link: 2008 Interdpt for Pct 2 (1100)

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/26/2008 07:42 AM	APRV
2	Manuel Chapa	Manuel Chapa	09/26/2008 02:23 PM	APRV
3	Auditor's Office		09/26/2008 06:03 PM	NEW
Form Started By: Dale Kennan			Started On: 09/25/2008 03:38 PM	
Final Approval Date: 09/26/2008				

DATE: September 25, 2008

2008
Transfer

DEPARTMENT HEAD: Valde Guerra

DEPARTMENT NAME: Department of Budget & Management for County Wide Shop (1200)

ACCOUNT NUMBER: 8-1200-431-00-122-004-0-XXX

Contact Person: Dale Kennan **Ph#:** (956) 292-7025 Ext. 5406

SUBJECT: **Intradepartmental transfer(s)** (increase (decrease)) in accordance with Local Government Code, Chapter 111, § 111.070, Item C (2).

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Intradepartmental transfer(s) (increase (decrease)) in accordance with Local Government Code, Chapter 111, § 111.070, Item C (2).

FROM OBJECT CODE	OBJECT DESCRIPTION	TO OBJECT CODE	OBJECT DESCRIPTION	AMOUNT
890	CO SHOP-OTHER	748	CO SHOP-OTHER EQUIPMENT	17,977.31
			TOTAL	17,977.31

REASON:
Transfer from CO SHOP-OTHER to CO SHOP-OTHER EQUIPMENT in the amounts of $17977.31 to fund the purchase of security equipment for the County Wide Shop.

DEPARTMENT HEAD SIGNATURE

DATE

APPROVED COMMISSIONERS' COURT

ATTEST COUNTY CLERK

DATE: September 25, 2008

2008
Transfer

DEPARTMENT HEAD: Valde Guerra

DEPARTMENT NAME: Department of Budget & Management for Parks Precinct 2 (1212)

ACCOUNT NUMBER: 8-1212-452-00-122-008-0-XXX

Contact Person: Dale Kennan **Ph#:** (956) 292-7025 Ext. 5406

SUBJECT: **Intradepartmental transfer(s)** (increase (decrease)) in accordance with Local Government Code, Chapter 111, § 111.070, Item C (2).

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Intradepartmental transfer(s) (increase (decrease)) in accordance with Local Government Code, Chapter 111, § 111.070, Item C (2).

FROM OBJECT CODE	OBJECT DESCRIPTION	TO OBJECT CODE	OBJECT DESCRIPTION	AMOUNT
890	PARKS PCT.2-OTHER	748	PARKS PCT.2-OTHER EQUIPMENT	10,526.37
			TOTAL	10,526.37

REASON:
Transfer from PARKS PCT.2-OTHER to PARKS PCT.2-OTHER EQUIPMENT in the amounts of $10526.37 to fund the purchase of security equipment for the park.

DEPARTMENT HEAD SIGNATURE

DATE

APPROVED COMMISSIONERS' COURT

ATTEST COUNTY CLERK

DATE: September 25, 2008

2008
Transfer

DEPARTMENT HEAD: Valde Guerra

DEPARTMENT NAME: Department of Budget & Management for Various Pct 2 Departments (1100)

ACCOUNT NUMBER: 8-1100-4XX-00-1XX-0XX-0-XXX

SUBJECT: **Interdepartmental transfer(s)** (increase (decrease)) in accordance with Local Government Code, Chapter 111, § 111.070, Item C (2).

Contact: Dale Kennan
Ph#: 292-7025 Ext. 5406

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Interdepartmental transfer(s) (increase (decrease)) in accordance with Local Government Code, Chapter 111, § 111.070, Item C (2).

ACCOUNT NUMBER	ACCOUNT NAME	INCREASE (DECREASE) AMOUNT
8-1100-415-00-115-002-0-899	CO WIDE ADM-CONTINGENCY	(39,388.25)
8-1100-466-00-122-082-0-748	PCT 2 CRC S TOWER RD-OTHER EQUIPMENT	$14,578.43
8-1100-432-00-122-001-0-748	SANITATION PCT.2-OTHER EQUIPMENT	$11,150.16
8-1100-466-00-122-018-0-748	PCT 2 CRC-OTHER EQUIPMENT	$13,659.66
	TOTAL BUDGET INCREASE (DECREASE)	**0.00**

REASON:
Transfer from CO WIDE ADM-CONTINGENCY to PCT 2 CRC S TOWER RD-OTHER EQUIPMENT, SANITATION PCT.2-OTHER EQUIPMENT and PCT 2 CRC-OTHER EQUIPMENT to fund the purchase of security equipment for various departments in Pct. 2.

DEPARTMENT HEAD SIGNATURE

APPROVED COMMISSIONERS' COURT

DATE / /

ATTEST COUNTY CLERK

AI-11383 **7.C.**

Interdept transfer from Contingency to Sanitation Pct. 1-Contractual Svcs

CC REGULAR

Date: 09/30/2008
Submitted By: Ivan Cantu, BUDGET & MANAGEMENT
Submitted For: Veronica Lopez
Department: BUDGET & MANAGEMENT
Agenda Area: Budget and Management

Information

CAPTION

Sanitation Pct. 1:
Approval of 2008 interdepartmental transfer from Countywide Administration - Contingency to Sanitation Pct. 1 (1100) in the amount of $72,000.00.

BACKGROUND

To fund contractual services for BFI; to fund cleanup and structure(s) demolition services for the recently purchased Burner Station Property (5 acre tract of land).

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-4XX-00-1XX-00X-0-XXX
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

8-1100-415-00-115-002-0-899 --> 8-1100-432-00-121-001-0-350 $72,000.00; funds available as of 9-25-08.

Attachments

Link: Pct. 1 Sanitation Interdept transfer

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Ivan Cantu (Originator)	Ivan Cantu	09/25/2008 07:37 AM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 03:00 PM	APRV
3	Erika Reyna	Erika Reyna	09/25/2008 04:17 PM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 02:55 PM	APRV
5	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Ivan Cantu Started On: 09/24/2008 04:06 PM

Final Approval Date: 09/26/2008

DATE: September 24, 2008

DEPARTMENT HEAD: Valde Guerra

2008
Transfer

DEPARTMENT NAME: Dept of Budget & Mgmt for Sanitation Pct. 1

ACCOUNT NUMBER: 8-1100-4XX-00-1XX-0XX-0-XXX

CONTACT PERSON: Ivan Cantu **PHONE:** (956) 292-7025 Ext. 5425

SUBJECT: **Interdepartmental Transfer/s in Accordance with Local Government Code Chapter 111, Subchapter C.**

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Interdepartmental transfer/s (transfer in/out) (increase/decrease) in accordance with Local Government Code, Chapter 111, Subchapter C.

INCREASE / DECREASE ACCOUNT NUMBER	ACCOUNT (OBJECT) NAME		AMOUNT
FROM			
8-1100-415-00-115-002-0- 899	CO. WIDE ADM.-	CONTINGENCY	(72,000.00)
TO			
8-1100-432-00-121-001-0- 350	SANITATION PCT. 1-	CONTRACTUAL SERVICES	72,000.00
	TOTAL BUDGET INCREASE (DECREASE)		0.00

REASON: **To fund contractual services for BFI and to fund demolition of old structure and clean up services for the 5 acre tract of land, recently purchased (Burner Station property).**

SIGNATURE

COMMISSIONERS COURT

/ /
DATE

ATTEST, COUNTY CLERK

AI-11382 **7.D.**

interdept. transfer - General Litigation
CC REGULAR

Date: 09/30/2008
Submitted By: Monica Badillo, BUDGET & MANAGEMENT
Department: BUDGET & MANAGEMENT
Agenda Area: Budget and Management

Information

CAPTION

Approval of interdepartmental transfer from County Wide Contingency Acct. to General Litigation in the amount of $ 230,000.00

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-415-00-115-002-0-899
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

$1,178532.60 available balance as of 09/26/08.

Attachments

Link: transfer

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/24/2008 04:20 PM	APRV
2	Rey Salazar	Rey Salazar	09/26/2008 04:45 PM	APRV
3	Auditor's Office		09/26/2008 06:03 PM	NEW
Form Started By: Monica Badillo			Started On: 09/24/2008 04:06 PM	
Final Approval Date: 09/26/2008				

BUDGET INTER-DEPARTMENTAL TRANSFER

DATE: September 24, 2008

DEPARTMENT HEAD: VALDE GUERRA

DEPARTMENT NAME: GENERAL LITIGATION

ACCOUNT NUMBER: 8-1100-415-30-115-021-0

CONTACT PERSON: MONICA BADILLO **TELEPHONE NO.** X5404

SUBJECT: Inter-departmental Transfer/s

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Inter-departmental Transfer/s (increase/decrease) in accordance with Local Government Code, Chapter 111, Subchapter C, Section 111.070, Subsection C.

INCREASE/DECREASE ACCOUNT NUMBER	ACCOUNT (OBJECT) NAME	AMOUNT
FROM		
8-1100-415-00-115-002-0-899	CO. WIDE CONTINGENCY	(230,000.00)
TO		
8-1100-415-30-115-021-0-333	GENERAL LITIGATION - LEGAL & EXPERT SERVICES	150,000.00
8-1100-415-30-115-021-0-339	GENERAL LITIGATION - OTHER PROF. SERVICES	80,000.00
	TOTAL BUDGET INCREASE (DECREASE)	$0.00

REASON: To pay for pending and future legal invoices.

DEPARTMENT HEAD SIGNATURE

/ /
DATE

APPROVED COMMISSIONERS' COURT

ATTEST COUNTY CLERK

AI-11369 **7.E.**

2008 Interdept. transfer for Visiting Judges (1100)
CC REGULAR

Date: 09/30/2008
Submitted By: Veronica Lopez, BUDGET & MANAGEMENT
Submitted For: Valde Guerra
Department: BUDGET & MANAGEMENT
Agenda Area: Budget and Management

Information

CAPTION

Approval of 2008 interdepartmental transfer from County Wide Administration to Visiting Judges (1100) in the amount of $53,825.00.

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-41X-00-115-0XX-0-XXX
FUNDS AVAILABLE Y/N?: Yes **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

8-1100-415-00-115-002-0-899 --> 8-1100-412-00-115-014-0-121 $50,000.00
Funds available as of 09-24-08

8-1100-415-00-115-002-0-899 --> 8-1100-412-00-115-014-0-220 $3,825.00
Funds available as of 09-24-08

Attachments

Link: Interdept Transfer

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/24/2008 03:36 PM	APRV
2	Dale Kennan	Dale Kennan	09/24/2008 03:49 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:54 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Veronica Lopez Started On: 09/24/2008 03:20 PM

Final Approval Date: 09/26/2008

DATE: September 24, 2008

DEPARTMENT HEAD: Valde Guerra

DEPARTMENT NAME: Dept. of Budget & Management for Visiting Judges

ACCOUNT NUMBER: 8-1100-41X-00-115-0XX-0-XXX

2008
Transfer
AI-11369

SUBJECT: **Interdepartmental Transfer/s in Accordance with Local Government Code Chapter 111, Subchapter C, Section 111.070, Subsection C.**

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Interdepartmental transfer/s (increase/decrease) in accordance with Local Government Code, Chapter 111, Subchapter C.

INCREASE / DECREASE ACCOUNT NUMBER	ACCOUNT (OBJECT) NAME	AMOUNT
FROM		
8-1100-415-00-115-002-0- 899	Co Wide Adm- Contingency	(53,825.00)
TO		
8-1100-412-00-115-014-0- 121	Visiting Judges- Temp F/T Employee	50,000.00
8-1100-412-00-115-014-0- 220	Visiting Judges- FICA	3,825.00
	TOTAL BUDGET INCREASE (DECREASE)	0.00

REASON: Transfer from Co. Wide Administration to Visiting Judges- Temp F/T Employee and FICA to cover negative and expected expenditures in both object codes.

Approved by

COMMISSIONERS COURT

DATE

ATTEST, COUNTY CLERK

AI-11441 **7.F.**

Interdepartmental transfer DBM - Safety Division
CC REGULAR

Date: 09/30/2008
Submitted By: Manuel Chapa, BUDGET & MANAGEMENT
Department: BUDGET & MANAGEMENT
Agenda Area: Budget and Management

Information

CAPTION

Approval of 2008 interdepartmental transfer within the Department of Budget and Management from Budget Division to Safety Division (1100) in the amount of $117.30.

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-415-14-115-001-0-535
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

8-1100-415-14-115-001-0-535-->8-1100-419-50-115-059-0-535 $117.30; available balance as of 9-26-08 $2,954.07

Attachments

Link: interdept transfer

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/26/2008 01:07 PM	APRV
2	Veronica Lopez	Veronica Lopez	09/26/2008 01:48 PM	APRV
3	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Manuel Chapa Started On: 09/26/2008 11:42 AM

Final Approval Date: 09/26/2008

DATE: **September 26, 2008**

DEPARTMENT HEAD: **Valde Guerra** **AI# 11441**

DEPARTMENT NAME: **Dept. of Budget & Management - Safety Division**

ACCOUNT NUMBER: **8-1100-419-50-115-059-0-535**

SUBJECT: **Interdepartmental Transfer**

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Interdepartmental transfer/s (increase/decrease) in accordance with Local Government Code, Chapter 111, Subchapter C Section 111.070, Subsection C.

ACCOUNT NUMBER	ACCOUNT NAME	INCREASE (DECREASE) AMOUNT
8-1100-415-14-115-001-0-535	DBM-Budget Division - Postage	(117.30)
8-1100-419-50-115-059-0-535	DBM-Safety Division - Postage	117.30
	TOTAL BUDGET INCREASE (DECREASE)	**0.00**

REASON: Safety division needs $135.00 in this account; there is only $17.70 available as of 9-26-08, $117.30 is the difference to be transferred.

DEPARTMENT HEAD SIGNATURE

APPROVED COMMISSIONERS' COURT

/ /
DATE

ATTEST COUNTY CLERK

AI-11311 **7.G.**

2008 interdepartmental transfer for CO 2006-B&G (1336)
CC REGULAR

Date: 09/30/2008
Submitted By: Dale Kennan, BUDGET & MANAGEMENT
Submitted For: CO 2006-B&G (1336)
Department: BUDGET & MANAGEMENT
Agenda Area: Budget and Management

Information

CAPTION

Approval of 2008 interdepartmental transfer within Certificate of Obligation Series 2006 - Buildings & Grounds from Auxiliary Court (program 036) and Sheriff's Evidence (program 037) to Mansion Bldg (program 014) in the total amount of $242,968.00. (1336)

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:** 8-1336-4XX-XX-220-0XX-0-452
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

From Axillary Court (program 036) and Sheriff's Evidence (program 037) to Mansion Bldg (program 014) in the total amount of $242,968.00. Funding available for transfer as of 9/22/08.

Attachments

Link: 2008 Interdpt for CO 2006-B&G (1336)

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/22/2008 03:10 PM	APRV
2	Rey Salazar	Rey Salazar	09/26/2008 02:49 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:52 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Dale Kennan Started On: 09/22/2008 02:16 PM

Final Approval Date: 09/26/2008

DATE: September 22, 2008

2008
Transfer

DEPARTMENT HEAD: Valde Guerra

DEPARTMENT NAME: Department of Budget & Management for C.O.,2006-B&G-MANSION (1336)

ACCOUNT NUMBER: 8-1336-4XX-XX-220-0XX-0-452

SUBJECT: **Interdepartmental transfer(s)** (increase (decrease)) in accordance with Local Government Code, Chapter 111, § 111.070, Item C (2).

Contact: Dale Kennan
Ph#: 292-7025 Ext. 5406

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Interdepartmental transfer(s) (increase (decrease)) in accordance with Local Government Code, Chapter 111, § 111.070, Item C (2).

ACCOUNT NUMBER	ACCOUNT NAME	INCREASE (DECREASE) AMOUNT
8-1336-412-00-220-036-0-452	C.O.,2006-B&G-AUXILIARY CRT-BLD ADD&RENV	(148,248.00)
8-1336-421-22-220-037-0-452	C.O.,2006-B&G-SHRF-EVIDENCE-BLD ADD&RENV	(94,720.00)
8-1336-444-00-220-014-0-452	C.O.,2006-B&G-MANSION-BLDG ADD & RENOV	$242,968.00
	TOTAL BUDGET INCREASE (DECREASE)	**0.00**

REASON:
Transfer from C.O.,2006-B&G-AUXILIARY CRT-BLD ADD&RENV and C.O.,2006-B&G-SHRF-EVIDENCE-BLD ADD&RENV to C.O.,2006-B&G-MANSION-BLDG ADD & RENOV to fund the replacement of the roof on the Mansion property.

DEPARTMENT HEAD SIGNATURE

APPROVED COMMISSIONERS' COURT

DATE / /

ATTEST COUNTY CLERK

AI-11446 **7.H.**

Interdepartmental Transfer
CC REGULAR

Date: 09/30/2008
Submitted By: Erika Reyna, BUDGET & MANAGEMENT
Department: BUDGET & MANAGEMENT
Agenda Area: Budget and Management

Information

CAPTION

Approval of 2008 interdepartmental transfer from County Wide Administration - Contingency to Tax Office (1100) in the amount of $15,000.00.

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-415-00-115-002-0-899
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

To fund a full-time Administrative Assistant position approved by CC on 8/26/08 (AI#10726) and Office Supplies. Funding available as of 09/26/08.

Attachments

Link: Interdepartmental Transfer

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/26/2008 02:58 PM	APRV
2	Manuel Chapa	Manuel Chapa	09/26/2008 04:02 PM	APRV
3	Auditor's Office		09/26/2008 06:03 PM	NEW
Form Started By: Erika Reyna			Started On: 09/26/2008 02:50 PM	
Final Approval Date: 09/26/2008				

DATE: **September 26, 2008**

DEPARTMENT HEAD: **Valde Guerra**

DEPARTMENT NAME: **Dept. of Budget and Mgmt. for Tax Office (1100)**

ACCOUNT NUMBER: **8-1100-415-XX-1XX-00X-0-XXX**

SUBJECT: **Interdepartmental Transfer**

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Interdepartmental transfer/s (increase/decrease) in accordance with Local Government Code, Chapter 111, Subchapter C Section 111.070, Subsection C.

ACCOUNT NUMBER	ACCOUNT NAME	INCREASE (DECREASE) AMOUNT
FROM:		
8-1100-415-00-115-002-0-899	CO WIDE ADM - CONTINGENCY	(15,000.00)
TO:		
8-1100-415-15-140-001-0-113	TAX OFFICE - F/T EMPLOYEE	7,557.25
8-1100-415-15-140-001-0-211	TAX OFFICE - HEALTH INSURANCE	1,048.95
8-1100-415-15-140-001-0-212	TAX OFFICE - LIFE INSURANCE	8.31
8-1100-415-15-140-001-0-220	TAX OFFICE - FICA	578.13
8-1100-415-15-140-001-0-230	TAX OFFICE - RETIREMENT	663.53
8-1100-415-15-140-001-0-250	TAX OFFICE - UNEMPLOYMENT COMP	37.79
8-1100-415-15-140-001-0-260	TAX OFFICE - WORKER'S COMP	31.74
8-1100-415-15-140-001-0-601	TAX OFFICE - OFFICE SUPPLIES	5,074.30
	TOTAL BUDGET INCREASE (DECREASE)	**0.00**

REASON: **Transfer from CO WIDE ADM - CONTINGENCY to TAX OFFICE to fund full-time Administrative Assistant position approved by CC on 08/26/08.**

DEPARTMENT HEAD SIGNATURE

APPROVED COMMISSIONERS' COURT

/ /

DATE

ATTEST COUNTY CLERK

AI-11448 **7.I.**

Interdept. Transfer
CC REGULAR

Date: 10/07/2008
Submitted By: Veronica Lopez, BUDGET & MANAGEMENT
Submitted For: Valde Guerra
Department: BUDGET & MANAGEMENT
Agenda Area: Budget and Management

Information

CAPTION

Approval of 2008 interdepartmental transfer from County Wide Administration to Planning Department (1100) in the amount of $7,500.00.

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-41X-X0-XXX-00X-0-XXX
FUNDS AVAILABLE Y/N?: Yes **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

8-1100-415-00-115-002-0-899 --> 8-1100-419-10-210-001-0-682 $7,500.00
Available balance as of 09-26-08

Attachments

Link: Interdept. Transfer

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/26/2008 04:05 PM	APRV
2	Erika Reyna	Erika Reyna	09/26/2008 04:11 PM	APRV
3	Auditor's Office		09/26/2008 06:03 PM	NEW
Form Started By: Veronica Lopez			Started On: 09/26/2008 03:51 PM	
Final Approval Date: 09/26/2008				

DATE: September 26, 2008

DEPARTMENT HEAD: Valde Guerra

DEPARTMENT NAME: Dept. of Budget & Management for Planning Dept.

ACCOUNT NUMBER: 8-1100-41X-X0-XXX-00X-0-XXX

2008
Transfer
AI-11448

SUBJECT: **Interdepartmental Transfer/s in Accordance with Local Government Code Chapter 111, Subchapter C, Section 111.070, Subsection C.**

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Interdepartmental transfer/s (increase/decrease) in accordance with Local Government Code, Chapter 111, Subchapter C.

INCREASE / DECREASE ACCOUNT NUMBER	ACCOUNT (OBJECT) NAME	AMOUNT
FROM		
8-1100-415-00-115-002-0- 899	Co Wide Adm- Contingency	(7,500.00)
TO		
8-1100-419-10-210-001-0- 682	Planning Dept- Gasoline/Diesel	7,500.00
	TOTAL BUDGET INCREASE (DECREASE)	0.00

REASON: Transfer needed for gasoline/diesel expenditures (4 new vehicles).

Approved by

COMMISSIONERS COURT

DATE

ATTEST, COUNTY CLERK

AI-11449 **7.J.**

Interdept transfer from Jail to Sheriff (1100) for Gasoline (Bulk) expenses

CC REGULAR

Date: 09/30/2008
Submitted By: Ivan Cantu, BUDGET & MANAGEMENT
Submitted For: Valde Guerra
Department: BUDGET & MANAGEMENT
Agenda Area: Budget and Management

Information

CAPTION

Sheriff:
Approval of 2008 interdepartmental transfer from Jail - Room & Board, program no. 002 to Sheriff - Gasoline/Diesel Bulk, program no. 001 (1100) in the amount of $200,000.00.

BACKGROUND

To fund bulk gasoline/diesel bulk expenditures.

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-4XX-00-1XX-0XX-0-XXX
FUNDS AVAILABLE Y/N?: Yes **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Funds available as of 09-26-08 $704,920.00.

Attachments

Link: From Jail to Sheriff interdept transfer

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Ivan Cantu (Originator)	Ivan Cantu	09/26/2008 04:41 PM	APRV
2	Budget & Management	Veronica Lopez	09/26/2008 05:08 PM	APRV
3	Veronica Lopez	Veronica Lopez	09/26/2008 05:16 PM	APRV
4	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Ivan Cantu — Started On: 09/26/2008 04:19 PM

Final Approval Date: 09/26/2008

DATE: September 26, 2008

DEPARTMENT HEAD: Valde Guerra

2008
Transfer

DEPARTMENT NAME: Dept of Budget & Mgmt for Sheriff

ACCOUNT NUMBER: 8-1100-4XX-00-1XX-0XX-0-XXX

CONTACT PERSON: Ivan Cantu **PHONE:** (956) 292-7025 Ext. 5425

SUBJECT: **Interdepartmental Transfer/s in Accordance with Local Government Code Chapter 111, Subchapter C.**

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Interdepartmental transfer/s (transfer in/out) (increase/decrease) in accordance with Local Government Code, Chapter 111, Subchapter C.

INCREASE / DECREASE ACCOUNT NUMBER	ACCOUNT (OBJECT) NAME	AMOUNT
FROM		
8-1100-423-21-280-002-0- 590	JAIL- ROOM & BOARD	(200,000.00)
TO		
8-1100-421-00-280-001-0- 626	SHERIFF- GASOLINE/DIESEL (BULK)	200,000.00
	TOTAL BUDGET INCREASE (DECREASE)	0.00

REASON: **To fund bulk fuel expenditures for the Sheriff's office, program no. 001**

SIGNATURE

COMMISSIONERS COURT

/ /
DATE

ATTEST, COUNTY CLERK

AI-11451 **7.K.**

Guardian Life Insurance Co.

CC REGULAR

Date: 09/30/2008
Submitted By: Veronica Lopez, BUDGET & MANAGEMENT
Submitted For: Valde Guerra
Department: BUDGET & MANAGEMENT
Agenda Area: Budget and Management

Information

CAPTION

Approval to pay invoice/payment request from The Guardian Life Insurance Company of America in the amount of $10,435.33 with authority for County Auditor to review and complete processing procedures and for County Treasurer to issue payment. Check is to be made payable to the National Plan Administrator's (County's TPA) for this policy.

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-415-00-115-002-0-890
FUNDS AVAILABLE Y/N?: Yes **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Available balance as of 09-26-08 $34,000.00.

Attachments

Link: back-up

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/26/2008 05:40 PM	APRV
2	Manuel Chapa	Manuel Chapa	09/26/2008 05:59 PM	APRV
3	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Veronica Lopez Started On: 09/26/2008 04:30 PM

Final Approval Date: 09/26/2008

V-

From: Jennifer Voorhees Add to Address Book
To: FLORA.VAZQUEZ@CO.HIDALGO.TX.US
CC: Allen Bassuk, Gene Thomas
Date: Friday, September 19, 2008 11:11:48 AM
Subject: Guardian Billing
411163-00 August 2008.pdf

Group: 00 411163
Division: 0000

Dear Planholder,

Our records show that we have not yet received a full payment for the month of August. A balance of $10,435.33 is still due for the month of August. Please review your records and let me know the status of the payment. If the payment has been submitted, please supply the date check was mailed, the check number, and check amount. If the payment has not been sent to us yet, please send it by overnight mail to avoid interruption in your group insurance.

To ensure payments are applied promptly to your account, please be sure to send any future payments to the following address. Please also include the payment coupon with your check.

The Guardian Life Insurance Company of America
P.O. Box 51505
Los Angeles, CA 90051-5805

Don't forget! You can also view and pay your bill in minutes through our secure website, www.GuardianAnytime.com

I have included a recap of premium billed and payments received for your review.

If you have any questions, please call our Customer Response Unit at 1-800-459-9401.

Jennifer C. Voorhees

V#
326051

Jennifer Voorhees | Account Specialist, Group Client Administration - Maintenance & Billing
Guardian Life Insurance Company of America | 777 E Magnesium Rd | Spokane WA 99208
☎: (800) 459-9401 | : (509) 468-6198 | : WRO 2-B | : Jennifer_Voorhees@glic.com

Have you visited our Guardian Anytime Website? Secure 24/7 access.
Register at http://www.GuardianAnytime.com/

Payment Recap Addendum

for

Hidalgo County

Group Plan #G-411163-00

on

September 18, 2008

Statement Date:	Premium Billed:	Check #	Amount Paid:
2/1/2006	$ 27,031.25	67460	$ 28,316.81
3/1/2006	$ 27,136.06	2565	$ 16.47
	$ -	67668	$ 28,527.61
4/1/2006	$ 28,546.21	1293	$ 47.26
	$ -	67783	$ 28,495.38
5/1/2006	$ 28,321.34	67966	$ 28,418.05
6/1/2006	$ 29,779.82	1	$ 14.35
	$ -	68189	$ 28,432.82
7/1/2006	$ 29,195.02	1694	$ 8.24
	$ -	1	$ 14.35
	$ -	68460	$ 24,368.04
	$ -	1705	$ 8.24
8/1/2006	$ 31,674.09	68678	$ 27,851.37
	$ -	1256	$ 13.88
9/1/2006	$ 29,720.34	68879	$ 27,768.81
	$ -	1268	$ 13.88
	$ -	1282	$ 13.88
	$ -	1077	$ 14.35
	$ -	1085	$ 14.35
	$ -	1061	$ 14.35
10/1/2006	$ 29,445.50	69076	$ 27,808.46
	$ -	1290	$ 13.88
	$ -	1095	$ 14.35
	$ -	1	$ 14.35
	$ -	2	$ 14.35
11/1/2006	$ 30,216.51	69781	$ 28,000.94
	$ -	5629317	$ 14.35
	$ -	2659	$ 8.24
	$ -	45227	$ 14.35
12/1/2006	$ 30,897.03	69987	$ 27,894.49
		1537	$ 27.76
1/1/2007	$ 30,814.73	70173	$ 28,074.33
	$ -	71044	$ 8.24
	$ -	4083	$ 32.94
	$ -	1548	$ 27.76
2/1/2007	$ 30,378.03	70412	$ 30,761.39
	$ -	2802	$ 23.63

Payment Recap Addendum

for

Hidalgo County

Group Plan #G-411163-00

on

September 18, 2008

3/1/2007	$	33,277.54	70582	$	30,609.06
4/1/2007	$	24,564.47	70726	$	30,946.11
	$	-	2811	$	23.63
5/1/2007	$	33,078.19	70889	$	31,098.06
	$	-	1	$	23.63
6/1/2007	$	32,207.46	71142	$	31,698.07
7/1/2007	$	33,280.68	71362	$	31,727.70
8/1/2007	$	38,099.29	71556	$	31,946.32
9/1/2007	$	33,326.57	71656	$	31,875.01
10/1/2007	$	19,895.74	71874	$	31,685.09
	$	-	1035	$	14.34
	$	-	1029	$	14.34
11/1/2007	$	32,612.67	72192	$	31,803.37
	$	-	1039	$	28.70
12/1/2007	$	32,696.36	72392	$	31,677.85
	$	-	1054	$	28.70
1/1/2008	$	32,928.42	72560	$	38,136.81
2/1/2008	$	37,913.85	72763	$	38,916.81
3/1/2008	$	43,565.93	72975	$	38,387.95
	$	-	155	$	15.68
	$	-	174	$	15.68
4/1/2008	$	35,522.95	73160	$	38,505.47
	$	-	192	$	31.36
5/1/2008	$	39,087.16	73355	$	38,628.58
6/1/2008	$	39,599.64	73438	$	38,477.97
	$	-	3167	$	18.62
	$	-	3170	$	18.62
7/1/2008	$	38,125.92	73687	$	38,550.37
8/1/2008	$	37,735.86	73870	$	38,332.19
	$	-	52689276	$	27.93
	$	-	66780515	$	15.68
	$	-	9951110	$	15.68
Total Billed:	**$**	**1,000,674.63**	**Total Paid:**	**$**	**988,421.68**

FUTURE ADJUSTMENTS: $ (1,817.62)

Amount Due The Guardian: $ 10,435.33

AI-10969 **8.A.**

Interdepartmental Transfer
CC REGULAR

Date: 09/30/2008
Submitted By: Yolanda Orozco, EMERGENCY SERVICES DIVISION
Submitted For: A.A. Tony Pena, Jr.
Department: EMERGENCY SERVICES DIVISION
Agenda Area: Emergency Services Division

Information

CAPTION

Approval of 2008 interdepartmental transfer from various fire departments to Alton Fire Department in the amount of $22,895.00 (1100), Edinburg Fire Department in the amount of $9,345.00 (1100), Hidalgo Fire Department in the amount of $110.00 (1100), and La Joya Fire Department in the amount of $6,825.00 (1100).

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:** 8-1100-422-20-300-0XX-0-841
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Funding available as of 09/26/08.

Attachments

Link: IntraTransfers.90908

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/26/2008 02:57 PM	APRV
2	Erika Reyna	Erika Reyna	09/26/2008 03:11 PM	APRV
3	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Yolanda Orozco — Started On: 09/03/2008 02:07 PM

Final Approval Date: 09/26/2008

DATE: September 9, 2008

DEPARTMENT HEAD: A.A. Tony Pena, Jr.

DEPARTMENT NAME: Hidalgo County Fire Marshal

ACCOUNT NUMBER: 8-1100-422-20-300-XXX-0-841

CONTACT PERSON: Yolanda Orozco **Telephone No:** 956/318-2656

SUBJECT: **Inter-Departmental Transfer/s (increase/decrease) in Accordance with Local Government Code, Chapter 111, Subchapter C, Section 111.070, Subsection C.**

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Interdepartmental transfer/s (increase/decrease) in accordance with Local Government Code, Chapter 111, Subchapter C Section 111.070, Subsection C.

ACCOUNT NUMBER	ACCOUNT NAME	INCREASE (DECREASE) AMOUNT
FROM:		
8-1100-422-20-300-002-0-841	Alamo Fire Department	(5,540.00)
8-1100-422-20-300-004-0-841	Donna Fire Department	(5,917.00)
8-1100-422-20-300-005-0-841	Edcouch Fire Department	(5,141.00)
8-1100-422-20-300-007-0-841	Elsa Fire Department	(7,935.00)
8-1100-422-20-300-010-0-841	La Villa Fire Department	(4,706.00)
8-1100-422-20-300-011-0-841	Linn-San Manuel Fire Department	(9,936.00)
TO:		
8-1100-422-20-300-003-0-841	Alton Fire Department	22,895.00
8-1100-422-20-300-006-0-841	Edinburg Fire Department	9,345.00
8-1100-422-20-300-008-0-841	Hidalgo Fire Department	110.00
8-1100-422-20-300-009-0-841	La Joya Fire Department	6,825.00
	TOTAL BUDGET INCREASE (DECREASE)	

REASON: Transfer from one account to another to cover expenditure of Fire Calls.

DEPARTMENT HEAD SIGNATURE **DATE**

APPROVED COMMISSIONERS' COURT **ATTEST COUNTY CLERK**

AI-11399 **9.B.**

McAllen Clinic Parking Lot
CC REGULAR

Date: 09/30/2008
Submitted By: Josie Escalante, HEALTH & HUMAN SERVICES DEPT.
Submitted For: Eddie Olivarez
Department: HEALTH & HUMAN SERVICES DEPT.
Agenda Area: Health & Human Services Dept.

Information

CAPTION

Requesting authorization to designate the McAllen Clinic Health Department Parking lot as "Parking for County Business Only" located at 300 East Hackberry, McAllen, Texas.

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:**
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:
No Budgetary Impact.

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 02:52 PM	APRV
2	Manuel Chapa	Manuel Chapa	09/25/2008 04:47 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 04:02 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Josie Escalante — Started On: 09/24/2008 05:07 PM

Final Approval Date: 09/26/2008

AI-11396 **9.C.**

Health Department - Donation from TALHO
CC REGULAR

Date: 09/30/2008
Submitted By: Josie Escalante, HEALTH & HUMAN SERVICES DEPT.
Submitted For: Eddie Olivarez
Department: HEALTH & HUMAN SERVICES DEPT.
Agenda Area: Health & Human Services Dept.

Information

CAPTION

Requesting authorization to accept the equipment donation from Texas Association of Local Health Officials to the Health & Human Services of a HP Server DL320G5P 2GB A160 STAT (worth $1,519.00) to be used for the department s communication and infrastructure efforts.

BACKGROUND

Texas Association of Local Health Officials acquired funds to purchase and issue equipment to help local health departments with communication efforts.

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-441-00-340-001-0-346
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

The only cost to be incurred is the shipping charge which will be between $30.00 - $40.00. Possible funding will come from 8-1100-441-00-340-001-0-346; available balance as of 9-25-08 $1,000.00

Attachments

Link: Agenda TALHO

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 02:50 PM	APRV
2	Manuel Chapa	Manuel Chapa	09/25/2008 05:31 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 03:59 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Josie Escalante — Started On: 09/24/2008 04:58 PM

Final Approval Date: 09/26/2008

Texas Association of Local Health Officials

EQUIPMENT TRANSFER

From: TALHO
To: Hidalgo County Health Department

The TALHO Office submitting this form shall:

a) Retain the original with the appropriate signatures.
b) Distribute file copy to the RECEIVING PARTY

Equipment Transferred:	Serial No.	From	To
HP SERVER DL320G5P 2GB A160 SATA	MX282201GZ		

RECEIVING PARTY:

Signature | Date | Printed or typed name and title

TALHO EXECUTIVE DIRECTOR:

Signature | Date | Printed or typed name and title

Statement of Responsibility:

The Texas Association of Local Health Officials (TALHO) hereby transfers the ownership of the property listed above to the receiving party for the purpose of meeting Texas Health Alert Network goals.

The receiving entity will place the equipment on their local health department inventory in accordance with their current local inventory policy.

No warranties are provided by TALHO. By signing above, the receiving party agrees to these terms. Manufacturer's warranty may apply.

TALHO – FORM 03

Miscellaneous	
Compliant Standards	ACPI 2.0, CE
Features	Administrator password, power-on password, keyboard password, diskette I/O control, USB port control, Power Factor Correction (PFC), automatic server restart (ASR)
Monitor	
Monitor Type	None.
Networking	
Compliant Standards	IEEE 802.3, IEEE 802.3u, IEEE 802.3ab
Data Link Protocol	Ethernet, Fast Ethernet, Gigabit Ethernet
Ethernet Controller(s)	HP NC326i
Ethernet Ports	2 x Gigabit Ethernet
Features	Wake on LAN (WoL)
Networking	Network adapter - PCI Express x4 - integrated
Operating System / Software	
OS Certified	SuSE Linux Enterprise Server, Microsoft Windows Server 2003 Enterprise Edition, Microsoft Windows Server 2003 Web Edition, Microsoft Windows Server 2003 Standard Edition, Microsoft Windows Server 2003, Red Hat Enterprise Linux, Microsoft Windows Server 2003 Standard x64 Edition, Microsoft Windows Server 2003 Enterprise x64 Edition
Software	Drivers & Utilities
Power	
Device Type	Power supply
Power Provided	400 Watt
Voltage Required	AC 120/230 V (50/60 Hz)
Processor	
64-bit Computing	Yes
Installed Qty	1
Max Supported Qty	1
Multi-Core Technology	Quad-Core
Type	Intel Quad-Core Xeon X3320 / 2.5 GHz
Upgradability	Upgradable
RAM	
Configuration Features	2 x 1 GB
Features	Unbuffered
Form Factor	DIMM 240-pin
Installed Size	2 GB / 8 GB (max)
Memory Specification Compliance	PC2-6400
Memory Speed	800 MHz
Technology	DDR2 SDRAM - ECC

The HP ProLiant DL320 G5p Server is an enterprise rack-optimized server at an entry level price. The highly manageable 1 processor, 1U server is ideal for single-application IT infrastructure, web and edge-of-network applications. The remote console and virtual KVM offered by the embedded iLO-2, coupled with the management features of SIM and deployment capabilities of SmartStart and other ProLiant Essentials software, give the DL320 G5p enterprise-class management features.

General	
Depth	26.9 in
Height	1.7 in
Product Form Factor	Rack-mountable - 1U
Recommended Use	Small business, corporate business
Server Scalability	1-way
Type	Server
Weight	26 lbs
Width	17.6 in
Cache Memory	
Cache Per Processor	6 MB
Installed Size	6 MB
Type	L2 cache
Expansion / Connectivity	
Expansion Bays Total (Free)	1 (1) x front accessible 2 (2) x front accessible - 3.5" x 1/3H
Expansion Slots Total (Free)	1 (1) x PCI Express x8 - full-length (x8 mode) 1 (1) x PCI Express x8 - half-length (x1 mode) 1 (0) x processor - LGA775 Socket 4 (2) x memory - DIMM 240-pin
Interfaces	1 x serial - RS-232 - 9 pin D-Sub (DB-9) 4 x USB - 4 pin USB Type A 1 x display / video - VGA - 15 pin HD D-Sub (HD-15) 1 x keyboard - generic - 6 pin mini-DIN (PS/2 style) 1 x mouse - generic - 6 pin mini-DIN (PS/2 style) 2 x network - Ethernet 10Base-T/100Base-TX/1000Base-TX - RJ-45
Graphics Controller	
Graphics Processor / Vendor	ATI ES1000
Installed Size	32 MB
Type	Integrated
Video Memory	SDRAM
Mainboard	
Chipset Type	Intel 3210
Data Bus Speed	1333 MHz
Manufacturer Warranty	
Service & Support	3 years warranty
Service & Support Details	Limited warranty - parts - 3 years Limited warranty - labor - 1 year - on-site - response time: next business day

Subject: RE: New Server
From: "Carol Coen" <CCoen@talho.org>
Date: Wed, 24 Sep 2008 10:41:35 -0500
To: "Josie Escalante" <josie.escalante@hchd.org>

Hi Josie!

The Server is an HP ProLiant DL320. I have attached a sheet of info on it to this email. The price of this server was $1519. PLEASE NOTE that your cost will only be the shipping charge which will be between $30 - $40.

Please let me know if there is any other information you need!

Thanks,
Carol

The HP ProLiant DL320 G5p Server.doc	**Content-Description:**	The HP ProLiant DL320 G5p Server.doc
	Content-Type:	application/msword
	Content-Encoding:	base64

AI-11333 **9.D.**

HUMAN SERVICES DIVISION
CC REGULAR

Date: 09/30/2008
Submitted By: Dairen Sarmiento, HEALTH & HUMAN SERVICES DEPT.
Submitted For: Dairen Sarmiento
Department: HEALTH & HUMAN SERVICES DEPT.
Agenda Area: Health & Human Services Dept.

Information

CAPTION

Presentation for discussion, consideration and approval of claim from Petra Rubio in the amount of $74.51 (transaction #36805) for fuel purchased on 9/18/08 for the HD-34 county van with authority for county auditor to issue payment after review, audit and processing procedures are completed.

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-444-00-240-001-0-682
FUNDS AVAILABLE Y/N?: Pending **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

There is an intradepartmental transfer in process for $250.00; funds will be available pending approval of AI#11332 9/30/08 Consent Agenda.

Attachments

Link: claim 9-30-08
Link: Affidavit

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/24/2008 08:01 AM	APRV
2	Manuel Chapa	Manuel Chapa	09/26/2008 01:58 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:10 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Dairen Sarmiento — Started On: 09/23/2008 04:18 PM

Final Approval Date: 09/26/2008

Stripes # 9111

806 East Palma Vista
Palm View TX

TP48571175-001 PCC 9111
806 E PALMA VISTA DR
PALMVIEW TX 78572

Descr.	qty	amount
UNLD CA #05	20.704G	74.51
	@ 3.599/ G	
	Sub Total	74.51
	Tax	0.00
TOTAL		74.51
	CHECK $	74.51

THANKS, COME AGAIN

REG# 0003 CSH# 019 DR# 01 TRAN# 36805
09/18/08 09:30:24 ST# 9111

HIDALGO COUNTY, TEXAS

ATE 2008	PURPOSE OF TRIP	DESTINATION AREA/CITY	ODOMETER BEGINNING	ODOMETER ENDING	Initials
-8	Vac	Mission	24655		
5-20-08	Mail Run	Pur. / AR	25,125	25 131	
6/21-08	CO	Mission	25131	25150	L G
5/30-08	Mission	" CO	25150	25169	L G
8/21/08	CO	Deposit FNB	25169	25173	
8/22/08	CO	Dr Cents Sunbelt	25173	025191	
8/25/08	CO Phar	Phar CO	25191 / 25198	25198 / 25205	
8-28-08	Mission	Target 4208 Expo	25493	25535	42
			25585	25557	32
			25557	25567	10
			25567	25580	13
9.4.08	CO.	Dr Cent/Phar - Heflin CO.	25936	025952	
9.4.8			025952	025961	
9.4.8			025961	025970	
9.4.8			025970	025978	
9/8/08	from C.O. to	Elderly clinic/Cost Con w/Work	25978	025986	P.R.
9.9.08	C.O.	Mail Run / Pur / AR Run	25988	25992	
9.9.08	To Auditors	Admin. Bldg. / Hidalgo County	025992	025995	ndl
9.9.08	From Auditors	To Health Dept. (Return)	025995	025997	ndl
9-10-08	C.O.	Adm / Purch	25997	26003	
9/11/08	C.O.	Ret. Cases, drop off to Precinct 3 Judge's office	26003	26045	P.R.
9/12/08	C.O.	Ret Cases w/ work + Elderly clin, Mission clin, from new work	26045	26090	
9/15/08	C.O.	Ret from new Case Work in Mission	26090	26131	
9/15/08	CO	FNB - Deposits	26131	26134	
9/16/08	C.O.	Ret/from new case work w/Mission	26134	26186	P.R.
9/17/08	C.O.	" " " "	26186	26226	
9-17-08	C.O.	Adm/Pur Mail Run	26224	26232	
9/18/08	CO	Mission Clinic	26232	26272	PR

(026251) from Valero on La Homa Rd. Mission, TX

PR.

9/22/08

HIDALGO COUNTY AUDITOR'S OFFICE
HIDALGO COUNTY, TEXAS

PURCHASE AFFIDAVIT

THE STATE OF TEXAS

COUNTY OF HIDALGO

I, Petra Rubio, do hereby state that the item(s) listed on the invoice(s) named below
PURCHASER'S NAME
were purchased for the exclusive use of Hidalgo County:

INVOICE NO.	DATE	AMOUNT	NAME OF COMPANY
36805	9/18/08	74.51	Stripes #9111
TOTAL		74.51	

I further state that I was authorized to make such a purchase(s).

I therefore request reimbursement of this invoice (these invoices) from Hidalgo County and that payment be made payable to me.

SIGNATURE: Petra Rubio

TITLE: Supervisor
PERSON MAKING PURCHASE

Before me Miriam Gonzalez, a Notary Public, appeared Petra Rubio and on **h**e oath deposed and stated that the foregoing facts as set forth in the above request for expense reimbursement are true and correct in every respect. **H**___ **/ S**he further stated **h**___ **/ s**he requested payment of the same.

(SEAL)
MIRIAM GONZALEZ
Notary Public, State of Texas
My Commission Expires
07-05-2009

Miriam Gonzalez
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

Lauren Sammons
APPROVAL: DEPARTMENT HEAD

APPROVAL: COUNTY AUDITOR

COUNTY AUDITOR'S FORM: ARS-CA-004

HIDALGO COUNTY AUDITOR'S OFFICE
HIDALGO COUNTY, TEXAS

PURCHASE AFFIDAVIT

THE STATE OF TEXAS

COUNTY OF HIDALGO

facts as set forth in the above request for expense reimbursement are true and correct in every respect. **H___ / S**he further stated **h___ / s**he requested payment of the same.

On September 18, 2008 I tried to pour gas w/the County gas card that was given to me. The gas pump read "see clerk". Clerk advised me to pour & still the card was not authorized, but I had already filled up the vehicle. I had to pay for the gas out of my own pocket.

Petra Nuñez

MIRIAM GONZALEZ
Notary Public, State of Texas
My Commission Expires
07-05-2009
(SEAL)

Miriam Gonzalez
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

J Allen Sammons
APPROVAL: DEPARTMENT HEAD

APPROVAL: COUNTY AUDITOR

COUNTY AUDITOR'S FORM: ARS-CA-004
REVISED: 11/23/2004

AI-11364 **10.A.**

Community Service Agency

CC REGULAR

Date:	09/30/2008
Submitted By:	Maribel Navarro, 430TH DISTRICT COURT
Submitted For:	Maribel Navarro
Department:	COMMUNITY SERVICE AGENCY
Agenda Area:	Community Service Agency

Information

CAPTION

1. Approval to accept Neighbor to Neighbor Amendment 1 for FY 2008
2. Approval to accept CSBG Contract No. 61080000222 Amendments 1 & 2 for FY 2008
3. Approval to accept CSBG/MSFW Contract No. 61080000244 Amendments 1 & 2 for FY 2008
4. Approval to accept CEAP Contract No. 58080000169 Amendments 1 & 2 for FY 2008
5. Approval to accept CSBG Contract No. 61080000257 for FY 2008
6. Requesting electronic authorization for all programmatic data between CSA and funding sources.

BACKGROUND

1. Neighbor to Neighbor Program funding in part by CPL and customer donations. Amendment increased the benefit level from $200 to $300.
2. CSBG (Community Service Block Grant) Amendment 1 and 2 releases third and fourth quarter funding to a total of $1,643,470.62.
3. CSBG/MSFW (Migrant Seasonal Farm Worker) Amendment 1 and 2 releases third and fourth quarter funding to a total of $89,594.
4. CEAP (Comprehensive Energy Assistance Program) Amendments 1 and 2 releases third and fourth quarter funding to a total of $1,940,103. This amendment includes an increase of $181,668.
5. CSBG- a new one time grant for a total of $150,000.
6.Request authorization that continues to allow me to download hard copies of contracts, reports, and to sign-off electronically between CSA and funding sources.

Fiscal Impact

Attachments

Link: NTN Amend #1

Link: NTN Contract

Link: CSBG Amend #1 & 2

Link: CSBG/MSFW Amend# 1& 2

Link: CEAP Amend# 1& 2

Link: CSBG - New

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management		09/26/2008 06:03 PM	PEND
2	Dale Kennan	Dale Kennan	09/25/2008 04:04 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:49 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Maribel Navarro

Started On: 09/24/2008 02:47 PM

Final Approval Date: 09/26/2008

AMENDMENT #1
TO THE
CPL RETAIL ENERGY, LP and
WTU RETAIL ENERGY, LP and
DIRECT ENERGY, LP
NEIGHBOR-TO-NEIGHBOR PROGRAM AGREEMENT
FOR ELECTRIC HOME ENERGY ASSISTANCE

THIS AMENDMENT #1 ("Amendment") to the Neighbor-To-Neighbor Program Agreement for Electric Home Energy Assistance as executed by the Parties ("Agreement") IS BY AND BETWEEN CPL Retail Energy, LP ("CPL Retail Energy") and/or WTU Retail Energy, LP ("WTU Retail Energy") and/or Direct Energy, LP ("Direct Energy"), three retail electric providers (together the "REPs") and County of Hidalgo Community Service Agency an established social service agency under Section 501(c)(3) of the United States Internal Revenue Code ("The Administering Agency") (all together "the Parties").

Purpose of the Amendment:

Under this Amendment, the Parties agree to increase the amount of assistance that a Recipient may receive from the Program. The Parties agree the increase in the amount of assistance will be effective as of July 10, 2008. As such, the following sections of the Agreement shall be amended.

Section IV. "Use of Funds"

The Parties agree to delete the following section IV(C):

> "C. A Recipient can receive assistance from the Program no more than twice in any calendar year, with no more than $200 of assistance provided in any one month for any Recipient. Assistance provided may not exceed the actual Electric Home Energy Expenses due at the time Assistance is provided."

And replace with the following language:

> "C. A Recipient can receive assistance from the Program no more than twice in any calendar year, with no more than $300 of assistance provided in any one month for any Recipient. Assistance provided may not exceed the actual Electric Home Energy Expenses due at the time Assistance is provided."

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by their duly authorized officers of this 10 day of July, 2008.

ADMINISTERING AGENCY

By: _____

Name: _____

Title: _____

CPL RETAIL ENERGY, LP

By: Centrica Holdco, Inc., its general partner

Signature: _____

Name: Jessica Mahaffey
Titles: Senior Director,
Government & Regulatory Affairs

WTU RETAIL ENERGY, LP

By: Centrica Holdco, Inc., its general partner

Signature: _____

Name: Jessica Mahaffey
Titles: Senior Director,
Government & Regulatory Affairs

DIRECT ENERGY, LP

By: Direct Energy GP, Inc.

Signature: _____

Name: Jessica Mahaffey
Titles: Senior Director,
Government & Regulatory Affairs

CPL RETAIL ENERGY, LP and
WTU RETAIL ENERGY, LP and
DIRECT ENERGY, LP
NEIGHBOR-TO-NEIGHBOR PROGRAM AGREEMENT
FOR ELECTRIC HOME ENERGY ASSISTANCE

THIS AGREEMENT IS BY AND BETWEEN CPL Retail Energy, LP ("CPL Retail Energy") and/or WTU Retail Energy, LP ("WTU Retail Energy") and/or Direct Energy, LP ("Direct Energy"), three retail electric providers (together the "REPs") and Hidalgo County Community Action Services an established social service agency under Section 501(c)(3) of the United States Internal Revenue Code ("The Administering Agency") (all together "the Parties").

Purpose of Agreement:

Under this Agreement the Administering Agency and the competitive retailers shall implement the program known as "Neighbor-to-Neighbor," under which the competitive retailers will provide funding in their respective areas of operation to be used by the agencies listed on the attached Exhibit A for payment of the Electric Home Energy Expenses, as defined below, of needy people experiencing an energy emergency or crisis. The Parties, in consideration of the promises and commitments found herein, agree as follows:

I. Program Established

A. The Neighbor-to-Neighbor Program (hereinafter referred to as the "Program") is hereby intended to help needy people experiencing an energy emergency or crisis pay their Electric Home Energy Expenses. The REPs shall supply funding for the program in their respective areas of operation as described in Article II herein. The Administering Agency shall, subject to the terms of this Agreement, utilize these funds to aid needy people in paying their Electric Home Energy Expenses and shall coordinate the Program with the Low Income Home Energy Assistance Program (LIHEAP). A list of

administering agencies and funding levels is attached as Exhibit A. Exhibit A, provided by the Texas Department of Housing and Community Affairs (TDHCA) Energy Assistance Section, is based on funding formulas used for its low-income energy assistance programs and may be amended annually when population and poverty data used by TDHCA change.

B. "Electric Home Energy Expenses" shall mean any debt incurred by the Recipient for electric energy consumed in the lighting, appliance usage and cooling/heating of the primary residence of the Recipient.

II. Program Funding

A. The REPs shall provide annual funding for the Program pursuant to the following terms:

1. The funding amount shall be determined annually at the REP's sole discretion, with funds allocated to the administering agencies in two bi-annual disbursements. The first disbursement shall occur no later than January 30th of each calendar year and the second disbursement shall occur no later than June 30th of each calendar year.

III. Recipients

A. A Recipient is any individual who receives assistance as contemplated by this Agreement. There can be only one Recipient for each household. In order to qualify as a Recipient, an individual must meet all of the following conditions at the time he or she receives this assistance.

1. The individual must be receiving residential electric service from CPL Retail Energy, WTU Retail Energy or Direct Energy LP at the residence from which the subject Electric Home Energy Expenses arise.
2. The individual must reside at the service address and be responsible for the Electric Home Energy Expenses to be paid.
3. The individual must meet the income eligibility criteria established for the Comprehensive Energy Assistance Program (CEAP) funded by LIHEAP.

B. The Administering Agency shall select Recipients from those qualifying individuals seeking assistance in its sole discretion, but the REPs may, from time to time, refer special cases for consideration for assistance from the Program. The Administering Agency shall give due consideration to any referred special cases, but shall nonetheless retain the ultimate authority in selecting Recipients.

IV. Use of Funds

A. All funds forwarded to the Administering Agency, subject to the administrative fee discussed in Article VII, shall be used by the Administering Agency in accordance with this Agreement to help Recipients pay their Electric Home Energy Expenses.

B. No Program funds may be used for utility deposits.

C. A Recipient can receive assistance from the Program no more than twice in any calendar year, with no more than $200 of assistance provided in any one month for any Recipient. Assistance provided may not exceed the actual Electric Home Energy Expenses due at the time Assistance is provided.

D. Except to the extent specified in this Agreement, the REPs shall have no power or authority to direct the Administering Agency in the management or control of the Program.

V. Reports

The Administering Agency shall submit to each REP monthly reports, reflecting the total receipts and disbursements of Program funds, the identity, location and address of each person helped by the Program, and the amount of assistance received. The Administering Agency shall submit each monthly report to CPL Retail Energy, WTU Retail Energy or Direct Energy, L.P., as appropriate, within 15 calendar days of the end of the month being reported. Such information and reports shall be available for audit verification by the REPs or their designated agents, at their individual expense. The Administering Agency agrees to maintain all records necessary to permit the REPs to verify the accuracy of such reports and information for a minimum of two years. The Administering Agency's obligation hereunder shall survive termination of this Agreement.

VI. Term of Agreement

A. This Agreement shall become effective on January 1st, 2008, and shall continue in effect for an initial term through December 31st, 2008, and shall be renewed annually each January and will require signatures of both parties. The Administering Agency may terminate this Agreement at anytime by delivering written notice of termination to the REPs at least thirty (30) days prior to the effective date of termination. The REPs may terminate this Agreement with the consent of the Administering Agency or for failure of the Administering Agency to meet the terms and conditions of this Agreement, by delivering written notice of termination to the Administering Agency at least thirty (30) days prior to the effective date of termination.

B. Upon termination of this Agreement, the Administering Agency agrees to return, within sixty calendar days, any balance of funds in the Program to the REPs for distribution.

VII. Administrative Fees

A. The administrative fee retained by the Administering Agency is intended to cover only Program costs. Program costs include costs directly related to Program outreach, application processing, accounting, reporting and other Program activities. To defray the cost of the Administering Agency's duties and responsibilities for outreach, application processing, accounting, reporting and other related program administration activities, the Administering Agency shall be entitled to retain up to 10% of the total annual funding provided under this Agreement.

VIII. Contractor Performance

A. The Administering Agency shall, on an equitable basis throughout its service area, disburse funds for the Program. The Administering Agency shall operate the Program consistent with this Agreement in conformance with applicable accounting and reporting standards.

B. The Administering Agency agrees to use diligent, good faith efforts to fully distribute all funds less the administrative fee for the benefit of Recipient households on an annual basis.

C. The failure of the Administering Agency to distribute at least 85% of the total available funds for a given calendar year shall entitle the REPs to terminate this Agreement in the manner set forth below:

1. The REPs will suspend annual funding from agencies that fail to distribute at least 85% of the total available funds in a given calendar year.

2. Agencies with suspended funding will undergo a probation period of 6 months (or until the next allocation of funds), after which the Committee will evaluate its progress and determine its eligibility for additional funds.

3. Agencies that have not utilized at least 85% of their funds in a given calendar year will have their annual funding suspended and be required to return the remaining balance to the REPs within sixty calendar days.

IX. Miscellaneous

A. Any notices to be given by either Party shall be in writing and shall be sent by certified or registered mail. Addresses for notice are as follows:

The REP	Administering Agency
Mr. Robert Frank VP Government & Regulatory Affairs CPL Retail Energy, LP WTU Retail Energy, LP Direct Energy, LP 221 West 6th Street, Ste. 2030 Austin, Texas 78701 Attention: Neighbor-to-Neighbor Program	Hidalgo County Community Action Services _____ _____ Attention: Neighbor-to-Neighbor Program

B. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

C. This Agreement can be modified or amended only by an agreement in writing executed by the authorized representatives of all Parties.

D. This Agreement will supersede and replace any previous agreements between the Parties related to the Program.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers of this _____ day of _____, 20 ____.

ADMINISTERING AGENCY

By: _____

Name: J.D. Salinas III

Title: Hidalgo County Judge

CPL RETAIL ENERGY, LP

By: Centrica Holdco, Inc., its general partner

Signature: _____

Name: Robert J. Frank

Titles: Vice President

Government & Regulatory Affairs

WTU RETAIL ENERGY, LP

By: Centrica Holdco, Inc., its general partner

Signature: _____

Name: Robert J. Frank

Titles: Vice President,

Government & Regulatory Affairs

DIRECT ENERGY, LP

By: Direct Energy GP, Inc.

Signature: _____

Name: Robert J. Frank

Titles: Vice President,

Government & Regulatory Affairs

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
AMENDMENT NO. 2 TO CONTRACT NO. 61080000222
COMMUNITY SERVICES BLOCK GRANT PROGRAM
CFDA#93.569

SECTION 1. CONTRACT

The Texas Department of Housing and Community Affairs, an agency of the State of Texas, and Hidalgo County Community Services Agency agree to amend contract no. 61080000222 executed by the Department on or about January 1, 2008 (herein the "Contract").

SECTION 2. DEPARTMENT OBLIGATIONS

This contract is amended by revising Section 4 C. to read:

C. Limits of Liability

Notwithstanding any other provision of this contract, the total of all payments and other obligations incurred by Department under this contract shall not exceed the sum of $1,643,470.62

Effective Date: August 01, 2008

Hidalgo County Community Services Agency

By:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

By:

This contract is effective when signed by the Texas Department of Housing and Community Affairs Executive Director or his authorized designee.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
AMENDMENT NO. 1 TO CONTRACT NO. 61080000222
COMMUNITY SERVICES BLOCK GRANT PROGRAM
CFDA#93.569

SECTION 1. CONTRACT

The Texas Department of Housing and Community Affairs, an agency of the State of Texas, and Hidalgo County Community Services Agency agree to amend contract no. 61080000222 executed by the Department on or about January 1, 2008 (herein the "Contract").

SECTION 2. DEPARTMENT OBLIGATIONS

This contract is amended by revising Section 4 C. to read:

C. Limits of Liability

Notwithstanding any other provision of this contract, the total of all payments and other obligations incurred by Department under this contract shall not exceed the sum of $1,178,678.00

Effective Date: April 01, 2008

Hidalgo County Community Services Agency

By:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

By:

This contract is effective when signed by the Texas Department of Housing and Community Affairs Executive Director or his authorized designee.

SECTION 1. PARTIES TO THE CONTRACT

This contract is made by and between the Texas Department of Housing and Community Affairs, an agency of the State of Texas, (herein the "Department") and Hidalgo County Community Services Agency (herein the "Subrecipient").

SECTION 2. CONTRACT PERIOD

This contract shall commence on January 01, 2008, and, unless earlier terminated, shall end on December 31, 2008 (herein the "Contract Period").

SECTION 3. SUBRECIPIENT PERFORMANCE

A. Pursuant to the Community Services Block Grant Act, 42 U.S.C. §9901 et seq. (herein the "CSBG Act"), Subrecipient shall operate, on an equitable basis throughout Subrecipient's service area, a program to ameliorate the causes of poverty. Subrecipient shall provide services and activities of the type specified in 42 U.S.C. §9907(b). Subrecipient's service area consists of the following counties:

HIDALGO

B. The services and activities to be provided are specified in the Performance Statement. Subrecipients shall notify the Department if activities or services specified in the Performance Statement will not be carried out.

SECTION 4. DEPARTMENT OBLIGATIONS

A. Measure of Liability

In consideration of Subrecipient's satisfactory performance of this contract, as determined by Department, Department shall be liable for actual and reasonable costs incurred by Subrecipient during the contract period for performances rendered under this contract, subject to the limitations set forth in this Section 4.

(1) Department's obligations under this Section are contingent upon the actual receipt by Department of funds from the U.S. Department of Health and Human Services (hereinafter "HHS"). If adequate funds are not available to make payments under this contract, Department shall terminate this contract and shall not be liable for failure to make payments hereunder.

(2) Department is not liable to Subrecipient for any cost incurred by Subrecipient which:

a. is subject to reimbursement by a source other than Department;

b. is for the performance of services or activities not authorized by 42 U.S.C. §9907(b), is for one of the activities prohibited in 42 U.S.C. §9918, or which is not in accordance with the terms of this contract;

c. is not reported to Department on CSBG Monthly Report (TDHCA Form 85) within sixty (60) days following the termination of this contract;

d. is not incurred during the Contract period;

e. is incurred for the purchase or permanent improvement of real property (other than low-cost residential weatherization or other energy-related home repairs).

B. Excess Payments

Subrecipient shall refund, within fifteen (15) days after Department's request, any sum of money paid to Subrecipient by Department which Department determines (1) has resulted in an overpayment to Subrecipient or (2) has not been spent strictly in accordance with the terms of this contract. Department may offset or withhold any amounts otherwise owed to Subrecipient under this contract against any amount owed by Subrecipient to Department arising under this contract.

C. Limits of Liability

Notwithstanding any other provision of this contract, the total of all payments and other obligations incurred by Department under this contract shall not exceed the sum of $309,008.00

SECTION 5. METHOD OF PAYMENT/CASH BALANCES

A. Each month Subrecipient may request an advance payment by submitting to Department at its offices in Travis County, Texas, no later than the twentieth (20th) day of the month prior to the month for which payment is sought, a properly completed CSBG Monthly Funding/Financial/Performance Report (TDHCA Form 85) and a State of Texas Purchase Voucher for an amount not to exceed Subrecipient's actual cash needs for the month for which such advance is sought.

B. Subrecipient's requests for advances shall be limited to the minimum amounts needed for the effective performance of this contract, and shall be timed as closely as possible with Subrecipient's actual immediate cash requirements. Subrecipient shall establish procedures to minimize the time elapsing between the transfer of funds from Department to Subrecipient and the disbursal of such funds by Subrecipient.

C. Department may use a cost reimbursement method of payment if (1) Department determines that Subrecipient has maintained cash balances in excess of need, (2) Department identifies any deficiency in the cash controls or financial management system used by Subrecipient, or (3) Subrecipient fails to comply with the reporting requirements of Section 11.

D. All funds paid to Subrecipient pursuant to this contract are paid in trust for the exclusive benefit of the low-income population of Subrecipient's service area and for the payment of allowable administrative expenses.

SECTION 6. COST PRINCIPLES AND ADMINISTRATIVE REQUIREMENTS

A. Except as expressly modified by law or the terms of this contract, Subrecipient shall comply with the cost principles and uniform administrative requirements set forth in the Uniform Grant Management Standards, 1 T.A.C. §5.141 et seq. (herein "Uniform Grant Management Standards"). All references therein to "local government" shall be construed to mean Subrecipient.

B. None of the costs described in Attachment C of OMB Circular No. A-87, as modified by the Uniform Grant Management Standards, shall be allowable unless Subrecipient has obtained Department's prior written approval to incur such cost.

C. Use of Alcoholic Beverages. None of the funds provided under this contract shall be used for the payment of salaries to any employee who uses alcoholic beverages while on active duty. No funds provided under this contract for travel expenses shall be used for the purchase of alcoholic beverages.

SECTION 7. TERMINATION AND SUSPENSION

A. Department may terminate this contract, in whole or in part, at any time Department determines that there is good cause for termination, including but not limited to Subrecipient's failure to comply with any term of this contract. Department shall notify Subrecipient in writing at least 30 days before the date of termination.

B. Department shall not be liable for any costs incurred by Subrecipient after termination of this contract. Notwithstanding the suspension or early termination of this contract, Subrecipient shall not be relieved of any liability for any damages due to Department by virtue of any breach of this contract by Subrecipient. Department may withhold any payment otherwise due to Subrecipient until such time as the exact amount of damages owed to Department by Subrecipient is determined and paid.

SECTION 8. CHANGES AND AMENDMENTS

A. Any change in the terms of this contract required by a change in state or federal law or regulation is automatically incorporated herein effective on the date designated by such law or regulations.

B. Except as otherwise specifically provided herein, any change in the terms of this contract shall be made by an amendment in writing and signed by both parties to this contract.

SECTION 9. TECHNICAL ASSISTANCE AND MONITORING

Department or its designee may conduct periodic on-site monitoring and evaluation of the efficiency, economy, and effectiveness of Subrecipient's performance of this contract. Department will advise Subrecipient in writing of any deficiencies noted during such monitoring. Department will provide technical assistance to Subrecipient and will require or suggest changes in Subrecipient's program implementation or in Subrecipient's accounting, personnel, procurement, and management procedures in order to correct any deficiencies noted. Department will conduct follow-up visits to review and assess the efforts Subrecipient has made to correct previously noted deficiencies. Department may place Subrecipient on a reimbursement method of payment, terminate this contract, or invoke other remedies in the event monitoring or other reliable sources reveal material deficiencies in Subrecipient's performance or if Subrecipient fails to correct any deficiency within the time allowed by federal law.

SECTION 10. RETENTION AND ACCESSIBILITY OF RECORDS

A. Subrecipient shall maintain fiscal records and supporting documentation for all expenditures made under this contract in accordance with the Uniform Grant Management Standards, Common Rule, §_.42.

B. All information collected, assembled, or maintained by Subrecipient shall be made available to the public during normal business hours in compliance with the Texas Public Information Act, Texas Government Code, Chapter 552.

C. Subrecipient shall give HHS, the Comptroller General of the United States, and Department, or their duly authorized representatives, access to and the right to examine and copy, on or off the premises of Subrecipient, all records pertaining to this contract. Subrecipient agrees to maintain such records in an accessible location and to cooperate with any examination conducted pursuant to this Subsection. Subrecipient shall include the requirements of this Subsection in all subcontracts.

SECTION 11. REPORTING REQUIREMENTS

A. Subrecipient shall submit to Department a CSBG Monthly Funding/Financial/ Performance Report. The report must be received by Department according to the schedule set forth in Section 5(A). Reimbursements will not be processed without the submission of programmatic data, including the National Performance Indicator report.

B. Upon notification by the Department that all funding has been drawn down from funds available under the prior year's allocation, Subrecipient shall submit to Department, no later than 60 days from the date of notification, a final CSBG Report (TDHCA Form 85, Page 1 only) containing a full accounting of all funds expended under that allocation.

C. Subrecipient shall annually submit to Department, no later than the last day of February, a cumulative inventory of all equipment acquired, in whole or in part, with funds received under this or previous CSBG contracts.

D. If Subrecipient fails to submit within 45 days of its due date, any report or response required by this contract, including responses to monitoring reports, Department may, in its sole discretion, initiate termination proceedings. If Subrecipient receives CSBG funds from Department over two or more contract periods, termination proceedings may be initiated on this contract for Subrecipient's failure to submit a report, including an audit report, past due from a prior contract.

SECTION 12. PROPERTY REQUIREMENTS

A. Subrecipient may not use funds provided under this contract to purchase personal property with a unit acquisition cost (the net invoice unit price of an item of equipment) of more than $5,000 unless Subrecipient has received the prior written approval of Department for such purchase.

B. Upon the termination or non-renewal of this contract, Department may transfer title to any such equipment having a unit acquisition cost (the net invoice unit price of an item of equipment) of $5,000 or more to itself or to any other entity receiving funds under the CSBG Act.

SECTION 13. INDEPENDENT SUBRECIPIENT

Subrecipient is an independent subrecipient. Subrecipient agrees to hold Department harmless and, to the extent allowed by law, indemnify it against any disallowed costs or other claims which may be asserted by any third party in connection with Subrecipient's performance of this contract.

SECTION 14. SUBCONTRACTS

A. Subrecipient may not subcontract the primary performance of this contract and only may enter into contractual agreements for consulting and other professional services including, but not limited to, auditors and attorneys, if Subrecipient has received Department's prior written approval. Subrecipient may subcontract for the delivery of client assistance without obtaining Department's prior approval. Any subcontract for the delivery of client assistance will be subject to monitoring by the Department as per Section 9.

B. In no event shall any provision of this Section 14, specifically the requirement that Subrecipient obtain Department's prior written approval of a subsubrecipient, be construed as relieving Subrecipient of the responsibility for ensuring that the performances rendered under all subcontracts are rendered so as to comply will all of the terms of this contract, as if such performances rendered were rendered by Subrecipient. Department's approval under Section 14 does not constitute adoption, ratification, or acceptance of Subrecipient's or subsubrecipient's performance hereunder. Department maintains the right to insist upon Subrecipient's full compliance with the terms of this contract, and by the act of approval under Section 14, Department does not waive any right of action which may exist or which may subsequently accrue to Department under this contract.

SECTION 15. CONFLICT OF INTEREST/NEPOTISM

A. Subrecipient covenants that neither it nor any member of its governing body has or shall acquire any interest, direct or indirect, which would conflict in any manner with the performance of this contract. No person having such interest shall be employed by Subrecipient or appointed as a member of Subrecipient's governing body. No member of Subrecipient's governing body may be employed by Subrecipient during his service on the board or for twelve months thereafter.

B. Subrecipient agrees that it will ensure that no officer, employee, or member of Subrecipient's governing body shall vote for or confirm the employment of any person related within the second degree by affinity or third degree by consanguinity to any member of the governing body or to any other officer or employee authorized to employ or supervise such person. A definition of such prohibited relationship may be found in §573.021 et seq. of the Texas Government Code. This prohibition shall not prohibit the continued employment of a person who has been continuously employed for a period of one year prior to the election or appointment of the officer, employee, or governing body member related to such person in the prohibited degree.

C. No employee, officer, or agent of Subrecipient shall participate in the selection, award, or administration of a subcontract supported by funds provided hereunder if a conflict of interest, real or apparent, would be involved. Such a conflict of interest would arise when: 1) the employee, officer, or agent; 2) any member of his or her immediate family; 3) his or her partner; or 4) any organization which employs or is about to employ, any of the above, has a financial or other interest in the firm or person selected to perform the subcontract.

D. Subrecipient's employees, officers, and agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from subcontractors, or potential subconctractors.

SECTION 16. COMPLIANCE WITH LAWS

A. Subrecipient shall comply with the CSBG Act and with the rules and regulations promulgated there under, and with all federal, state, and local laws and regulations applicable to the performance of this contract, including 10 TAC, Part I, Ch 5, Subch. A, Section 5.1-5.15.

B. Under Section 2261.053, Government Code, Bidder or Awardee Name certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

SECTION 17. PROGRAM INCOME

Subrecipient shall account for and expend program income derived from activities financed in whole or in part with funds provided under this contract in accordance with the Uniform Grant Management Standards, Common Rule, §_.25.

SECTION 18. NON-DISCRIMINATION AND EQUAL OPPORTUNITY

No person shall on the ground of race, color, religion, sex, national origin, age, disability, political affiliation or belief be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in the administration of or in connection with any program or activity funded in whole or in part with funds made available under this contract.

SECTION 19. LEGAL AUTHORITY

A. Subrecipient represents that it possesses the legal authority to enter into this contract and to perform the services Subrecipient has obligated itself to perform hereunder.

B. The person signing this contract on behalf of Subrecipient hereby warrants that he/she has been duly authorized by Contract to execute this contract on behalf of Subrecipient and to bind Subrecipient to the terms herein set forth.

C. Department shall have the right to terminate this contract if there is a dispute as to the legal authority of either Subrecipient or the person signing this contract to enter into this contract or to render performances hereunder. Subrecipient is liable to Department for any money it has received from Department for performance of the provisions of this contract, if Department has terminated this contract for reasons enumerated in this Section 19.

SECTION 20. AUDIT

A. For any fiscal year included within the Grant Period during which the Subrecipient expended $500,000 or more in total federal or $500,000 in total state financial assistance, Subrecipient shall arrange for the performance of an annual audit of the funds received and performances rendered under this grant agreement. The audit shall be made in accordance with the Single Audit Act Amendments of 1996, 31 U.S.C. ch. 75; and OMB Circular No. 133 (as revised on 6/30/1997), "Audits of States, Local Governments, and Non-Profit Organizations." The term "federal financial assistance" includes awards of federal financial assistance received directly from federal agencies, or indirectly through units of state and local government.

B. Notwithstanding Subsection A, of this Section 21, Subrecipients expending less than $500,000 in Federal financial assistance or $500,000 in State financial assistance, may arrange for the performance of an annual financial statement audit. Such audit should include verification of all expenditures by budget category, in accordance with final Monthly/Financial/Funding Performance Report (MFFPR) submitted to close out allocation year.

C. Subrecipient shall submit two (2) copies of the report of such audit to Department within thirty (30) days after the completion of the audit, but no later than nine (9) months after the end of the audit period. Subrecipient shall insure that the audit report is made available for public inspection within thirty (30) days after completion of the audit. Audits performed under this Section 20 are subject to review and resolution by Department or its authorized representative.

D. For any fiscal year ending within or immediately after the Grant Period, Subrecipient must submit an "Audit Certification Form" (available from the Department) within sixty (60) days after the Subrecipients fiscal year end.

E. Department reserves the right to conduct additional audits of the funds received and performances rendered under this grant agreement. Subrecipient agrees to permit Department or its authorized representative to audit Subrecipient's records and to obtain any documents, materials, or information necessary to facilitate such audit.

F. Subrecipient shall be liable to Department for any costs disallowed pursuant to audit(s) of funds received under this agreement. Subrecipient shall reimburse such disallowed costs with funds that are not provided under this contract.

G. Subrecipient shall procure audit services through an open, competitive process at least once every four years. The auditor shall retain working papers and reports for a minimum of three years after the date of issuance of the auditor's report to the auditee. Audit working papers shall be made available upon request to Department at the completion of the audit, as a part of a quality review, to resolve audit findings, or to carry out oversight responsibilities consistent with the purposes of this part. Access to working papers includes the right to obtain copies of working papers, as is reasonable and necessary.

SECTION 21. TRAVEL

Allowable travel costs under this contract shall be determined in accordance with OMB Circulars A-122 or A-87, as applicable, any Department directives on travel, and with Subrecipient's written travel policy. Subrecipient's written travel policy shall delineate the rates which Subrecipient shall use in computing the travel and per diem expenses of its board members and employees. Prior to incurring any costs for travel, Subrecipient must provide Department with a copy of its travel policy and evidence that such policy has been approved by Subrecipient's governing body. If Subrecipient has no established written travel policy, the travel regulations applicable to Department employees shall apply.

SECTION 22. POLITICAL ACTIVITY PROHIBITED

A. None of the funds provided under this contract shall be used for influencing the outcome of any election, or the passage or defeat of any legislative measure. This prohibition shall not be construed to prevent any official or employee of Subrecipient from furnishing to any member of its governing body upon request, or to any other local or state official or employee or to any citizen, information in the hands of the employee or official not considered under law to be confidential information. Any action taken against an employee or official for supplying such information shall subject the person initiating the action to immediate dismissal from employment.

B. No funds provided under this contract may be used directly or indirectly to hire employees or in any other way fund or support candidates for the legislative, executive, or judicial branches of government of Subrecipient, the State of Texas, or the government of the United States.

C. None of the funds under this contract shall be expended in payment of the salary for full-time employment of any employee who is also the paid lobbyist of any individual, firm, association, or corporation. None of the funds provided by this contract shall be expended in payment of the partial salary of a part-time employee who is required to register as a lobbyist by virtue of the employee's activities for compensation by or on behalf of industry, a profession or association related to operation of Subrecipient. A part-time employee may serve as a lobbyist on behalf of industry, a profession, or association so long as such entity is not related to Subrecipient. Except as authorized by law, no contract funds shall be expended in payment of membership dues to an organization on behalf of Subrecipient or an employee of Subrecipient if the organization pays all or part of the salary of a person required to register under Chapter 305, Government Code.

D. None of the funds provided under this contract shall be paid to any official or employee who violates any of the provisions of this section.

E. Programs assisted with CSBG funds shall not be carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel, in a manner supporting or resulting in the identification of such programs with-

1. any partisan or non partisan political activity or any political activity associated with a candidate, or contending faction or group, in an election for public or party office;

2. any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election; or

3. any voter registration activity.

SECTION 23. SECTARIAN INVOLVEMENT PROHIBITED

No funds received by Subrecipient hereunder shall be used, either directly or indirectly, to support any religious or anti-religious activity.

SECTION 24. COPYRIGHT

Subrecipient may copyright materials developed in the performance of this contract or with funds expended under this contract. Department and HHS shall each have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the copyrighted work for government purposes.

SECTION 25. PREVENTION OF FRAUD AND ABUSE

A. Subrecipient shall establish, maintain, and utilize internal controls sufficient to provide for the proper and effective management of all program and fiscal activities funded under this contract. Subrecipient's internal controls and all transactions and other significant events are to be clearly documented and the documentation shall be readily available for monitoring by Department.

B. Subrecipient shall give Department complete access to all of its records, employees, and agents for the purpose of monitoring or investigating the CSBG program. Subrecipient shall fully cooperate with Department's efforts to detect, investigate, and prevent waste, fraud, and abuse.

C. Subrecipient shall not discriminate against any employee or other person who reports a violation of the terms of this contract or of any law or regulation to Department or to any appropriate law enforcement authority if the report is made in good faith.

SECTION 26. MAINTENANCE OF EFFORT

Funds provided to Subrecipient under this contract may not be substituted for funds or resources from any other source nor in any way serve to reduce the funds or resources which would have been available to or provided through Subrecipient had this contract never been executed.

SECTION 27. NO WAIVER

Any right or remedy given to Department by this contract shall not preclude the existence of any other right or remedy, nor shall any action taken in the exercise of any right or remedy be deemed a waiver of any other right or remedy. The failure of Department to exercise any right or remedy on any occasion shall not constitute a waiver of Department's right to exercise that or any other right or remedy at a later time.

SECTION 28. SEVERABILITY

If any portion of this contract is held to be invalid by a court or administrative tribunal of competent jurisdiction, the remainder shall remain valid and binding.

SECTION 29. PRIOR ORAL AND WRITTEN AGREEMENTS

All oral and written agreements between the parties relating to the subject matter of this contract have been reduced to writing and are contained in this document and the exhibits attached hereto.

SECTION 30. COMMUNITY ACTION PLAN

Each eligible entity, as a condition to receipt of funding under this Act, shall submit to the Department a community action plan that includes:

A. a community needs assessment (including food needs);

B. a description of the service delivery system targeted to low-income individuals and families in the service area, including homeless individuals and families, migrants, and the elderly poor;

C. a description of how linkages will be developed to fill identified gaps in services through information, referral, case management, and follow-up consultations;

D. a description of how funding under this Act will be coordinated with other public and private resources; and,

E. a description of outcome measures to be used to monitor success in promoting self-sufficiency, family stability, and community revitalization.

SECTION 31. SPECIAL CONDITIONS

The Pro-Children Act of 1994, [20 U.S.C. Sec. 6081 et seq.] requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18 if the services are funded by Federal programs either directly or through States or local governments by Federal grant, contract, loan or loan guarantee.

SECTION 32. EXCLUDED PARTIES LIST SYSTEM

By signing this contract, Subrecipient certifies that neither it nor its current principle parties are included in the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA). Subrecipient also certifies that it will not award any funds provided by this contract to any party that is debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549. Subrecipient agrees that prior to entering into any agreement with a potential subcontractor that the verification process to comply with this requirement will be accomplished by checking the Excluded Parties List System @ http://www.epls.gov/ or by collecting a certification from the potential subcontractor.

Effective Date: January 01, 2008

Hidalgo County Community Services Agency

By:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

By:

This contract is effective when signed by the Texas Department of Housing and Community Affairs Executive Director or his authorized designee.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
AMENDMENT NO. 2 TO CONTRACT NO. 61080000244
COMMUNITY SERVICES BLOCK GRANT PROGRAM
CFDA#93.569

SECTION 1. CONTRACT

The Texas Department of Housing and Community Affairs, an agency of the State of Texas, and Hidalgo County Community Services Agency agree to amend contract no. 61080000244 executed by the Department on or about January 1, 2008 (herein the "Contract").

SECTION 2. DEPARTMENT OBLIGATIONS

This contract is amended by revising Section 4 C. to read:

C. Limits of Liability

Notwithstanding any other provision of this contract, the total of all payments and other obligations incurred by Department under this contract shall not exceed the sum of $89,594.00

Effective Date: August 01, 2008

Hidalgo County Community Services Agency

By:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

By:

This contract is effective when signed by the Texas Department of Housing and Community Affairs Executive Director or his authorized designee.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
AMENDMENT NO. 1 TO CONTRACT NO. 61080000244
COMMUNITY SERVICES BLOCK GRANT PROGRAM
CFDA#93.569

SECTION 1. CONTRACT

The Texas Department of Housing and Community Affairs, an agency of the State of Texas, and Hidalgo County Community Services Agency agree to amend contract no. 61080000244 executed by the Department on or about January 1, 2008 (herein the "Contract").

SECTION 2. DEPARTMENT OBLIGATIONS

This contract is amended by revising Section 4 C. to read:

C. Limits of Liability

Notwithstanding any other provision of this contract, the total of all payments and other obligations incurred by Department under this contract shall not exceed the sum of $67,196.00

Effective Date: April 01, 2008

Hidalgo County Community Services Agency

By:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

By:

This contract is effective when signed by the Texas Department of Housing and Community Affairs Executive Director or his authorized designee.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CONTRACT NO. 61080000244 FOR THE
FY 2008 COMMUNITY SERVICES BLOCK GRANT PROGRAM
CFDA#93.569

SECTION 1. PARTIES TO THE CONTRACT

This contract is made by and between the Texas Department of Housing and Community Affairs, an agency of the State of Texas, (herein the "Department") and Hidalgo County Community Services Agency (herein the "Subrecipient").

SECTION 2. CONTRACT PERIOD

This contract shall commence on January 01, 2008, and, unless earlier terminated, shall end on December 31, 2008 (herein the "Contract Period").

SECTION 3. SUBRECIPIENT PERFORMANCE

A. Pursuant to the Community Services Block Grant Act, 42 U.S.C. §9901 et seq. (herein the "CSBG Act"), Subrecipient shall operate, on an equitable basis throughout Subrecipient's service area, a program to ameliorate the causes of poverty. Subrecipient shall provide services and activities of the type specified in 42 U.S.C. §9907(b). Subrecipient's service area consists of the following counties:

HIDALGO

B. The services and activities to be provided are specified in the Performance Statement. Subrecipients shall notify the Department if activities or services specified in the Performance Statement will not be carried out.

SECTION 4. DEPARTMENT OBLIGATIONS

A. Measure of Liability

In consideration of Subrecipient's satisfactory performance of this contract, as determined by Department, Department shall be liable for actual and reasonable costs incurred by Subrecipient during the contract period for performances rendered under this contract, subject to the limitations set forth in this Section 4.

(1) Department's obligations under this Section are contingent upon the actual receipt by Department of funds from the U.S. Department of Health and Human Services (hereinafter "HHS"). If adequate funds are not available to make payments under this contract, Department shall terminate this contract and shall not be liable for failure to make payments hereunder.

(2) Department is not liable to Subrecipient for any cost incurred by Subrecipient which:

a. is subject to reimbursement by a source other than Department;

b. is for the performance of services or activities not authorized by 42 U.S.C. §9907(b), is for one of the activities prohibited in 42 U.S.C. §9918, or which is not in accordance with the terms of this contract;

c. is not reported to Department on CSBG Monthly Report (TDHCA Form 85) within sixty (60) days following the termination of this contract;

d. is not incurred during the Contract period;

e. is incurred for the purchase or permanent improvement of real property (other than low-cost residential weatherization or other energy-related home repairs).

B. Excess Payments

Subrecipient shall refund, within fifteen (15) days after Department's request, any sum of money paid to Subrecipient by Department which Department determines (1) has resulted in an overpayment to Subrecipient or (2) has not been spent strictly in accordance with the terms of this contract. Department may offset or withhold any amounts otherwise owed to Subrecipient under this contract against any amount owed by Subrecipient to Department arising under this contract.

C. Limits of Liability

Notwithstanding any other provision of this contract, the total of all payments and other obligations incurred by Department under this contract shall not exceed the sum of $17,493.00

SECTION 5. METHOD OF PAYMENT/CASH BALANCES

A. Each month Subrecipient may request an advance payment by submitting to Department at its offices in Travis County, Texas, no later than the twentieth (20th) day of the month prior to the month for which payment is sought, a properly completed CSBG Monthly Funding/Financial/Performance Report (TDHCA Form 85) and a State of Texas Purchase Voucher for an amount not to exceed Subrecipient's actual cash needs for the month for which such advance is sought.

B. Subrecipient's requests for advances shall be limited to the minimum amounts needed for the effective performance of this contract, and shall be timed as closely as possible with Subrecipient's actual immediate cash requirements. Subrecipient shall establish procedures to minimize the time elapsing between the transfer of funds from Department to Subrecipient and the disbursal of such funds by Subrecipient.

C. Department may use a cost reimbursement method of payment if (1) Department determines that Subrecipient has maintained cash balances in excess of need, (2) Department identifies any deficiency in the cash controls or financial management system used by Subrecipient, or (3) Subrecipient fails to comply with the reporting requirements of Section 12.

D. All funds paid to Subrecipient pursuant to this contract are paid in trust for the exclusive benefit of the low-income population of Subrecipient's service area and for the payment of allowable administrative expenses.

SECTION 6. COST PRINCIPLES AND ADMINISTRATIVE REQUIREMENTS

A. Except as expressly modified by law or the terms of this contract, Subrecipient shall comply with the cost principles and uniform administrative requirements set forth in the Uniform Grant Management Standards, 1 T.A.C. §5.141 et seq. (herein "Uniform Grant Management Standards"). All references therein to "local government" shall be construed to mean Subrecipient.

B. None of the costs described in Attachment C of OMB Circular No. A-87, as modified by the Uniform Grant Management Standards, shall be allowable unless Subrecipient has obtained Department's prior written approval to incur such cost.

C. Use of Alcoholic Beverages. None of the funds provided under this contract shall be used for the payment of salaries to any employee who uses alcoholic beverages while on active duty. No funds provided under this contract for travel expenses shall be used for the purchase of alcoholic beverages.

SECTION 7. TERMINATION AND SUSPENSION

A. Department may terminate this contract, in whole or in part, at any time Department determines that there is good cause for termination, including but not limited to Subrecipient's failure to comply with any term of this contract. Department shall notify Subrecipient in writing at least 30 days before the date of termination.

B. Department shall not be liable for any costs incurred by Subrecipient after termination of this contract. Notwithstanding the suspension or early termination of this contract, Subrecipient shall not be relieved of any liability for any damages due to Department by virtue of any breach of this contract by Subrecipient. Department may withhold any payment otherwise due to Subrecipient until such time as the exact amount of damages owed to Department by Subrecipient is determined and paid.

SECTION 8. CHANGES AND AMENDMENTS

A. Any change in the terms of this contract required by a change in state or federal law or regulation is automatically incorporated herein effective on the date designated by such law or regulations.

B. Except as otherwise specifically provided herein, any change in the terms of this contract shall be made by an amendment in writing and signed by both parties to this contract.

SECTION 9. DEPARTMENT DIRECTIVES

Department may issue policy directives which serve to interpret or clarify the terms of this contract. Such directives shall be issued by Department in the form of CSBG Action Items and Memorandums. Action Items shall not alter the terms of this contract so as to relieve Department of any obligation to reimburse an allowable cost incurred by Subrecipient prior to the effective date of the Action Item. All CSBG Action Items promulgated by Department prior to or during the Contract Period shall govern the performance of this contract until specifically rescinded by Department.

SECTION 10. TECHNICAL ASSISTANCE AND MONITORING

Department or its designee may conduct periodic on-site monitoring and evaluation of the efficiency, economy, and effectiveness of Subrecipient's performance of this contract. Department will advise Subrecipient in writing of any deficiencies noted during such monitoring. Department will provide technical assistance to Subrecipient and will require or suggest changes in Subrecipient's program implementation or in Subrecipient's accounting, personnel, procurement, and management procedures in order to correct any deficiencies noted. Department will conduct follow-up visits to review and assess the efforts Subrecipient has made to correct previously noted deficiencies. Department may place Subrecipient on a reimbursement method of payment, terminate this contract, or invoke other remedies in the event monitoring or other reliable sources reveal material deficiencies in Subrecipient's performance or if Subrecipient fails to correct any deficiency within the time allowed by federal law.

SECTION 11. RETENTION AND ACCESSIBILITY OF RECORDS

A. Subrecipient shall maintain fiscal records and supporting documentation for all expenditures made under this contract in accordance with the Uniform Grant Management Standards, Common Rule, §_.42.

B. All information collected, assembled, or maintained by Subrecipient shall be made available to the public during normal business hours in compliance with the Texas Public Information Act, Texas Government Code, Chapter 552.

C. Subrecipient shall give HHS, the Comptroller General of the United States, and Department, or their duly authorized representatives, access to and the right to examine and copy, on or off the premises of Subrecipient, all records pertaining to this contract. Subrecipient agrees to maintain such records in an accessible location and to cooperate with any examination conducted pursuant to this Subsection. Subrecipient shall include the requirements of this Subsection in all subcontracts.

SECTION 12. REPORTING REQUIREMENTS

A. Subrecipient shall submit to Department a CSBG Monthly Funding/Financial/ Performance Report. The report must be received by Department according to the schedule set forth in Section 5(A). **Reimbursements will not be processed without the submission of programmatic data, including the National Performance Indicator report**.

B. Upon notification by the Department that all funding has been drawn down from funds available under the prior year's allocation, Subrecipient shall submit to Department, no later than 60 days from the date of notification, a final CSBG Report (TDHCA Form 85, Page 1 only) containing a full accounting of all funds expended under that allocation.

C. Subrecipient shall annually submit to Department, no later than the last day of February, a cumulative inventory of all equipment acquired, in whole or in part, with funds received under this or previous CSBG contracts.

D. If Subrecipient fails to submit within 45 days of its due date, any report or response required by this contract, including responses to monitoring reports, Department may, in its sole discretion, initiate termination proceedings. If Subrecipient receives CSBG funds from Department over two or more contract periods, termination proceedings may be initiated on this contract for Subrecipient's failure to submit a report, including an audit report, past due from a prior contract.

SECTION 13. PROPERTY REQUIREMENTS

A. Subrecipient may not use funds provided under this contract to purchase personal property with a unit acquisition cost (the net invoice unit price of an item of equipment) of more than $5,000 unless Subrecipient has received the prior written approval of Department for such purchase.

B. Upon the termination or non-renewal of this contract, Department may transfer title to any such equipment having a unit acquisition cost (the net invoice unit price of an item of equipment) of $5,000 or more to itself or to any other entity receiving funds under the CSBG Act.

SECTION 14. INDEPENDENT SUBRECIPIENT

Subrecipient is an independent subrecipient. Subrecipient agrees to hold Department harmless and, to the extent allowed by law, indemnify it against any disallowed costs or other claims which may be asserted by any third party in connection with Subrecipient's performance of this contract.

SECTION 15. SUBCONTRACTS

A. Subrecipient may not subcontract the primary performance of this contract and only may enter into contractual agreements for consulting and other professional services including, but not limited to, auditors and attorneys, if Subrecipient has received Department's prior written approval. Subrecipient may subcontract for the delivery of client assistance without obtaining Department's prior approval. Any subcontract for the delivery of client assistance will be subject to monitoring by the Department as per Section 10.

B. In no event shall any provision of this Section 15, specifically the requirement that Subrecipient obtain Department's prior written approval of a subsubrecipient, be construed as relieving Subrecipient of the responsibility for ensuring that the performances rendered under all subcontracts are rendered so as to comply will all of the terms of this contract, as if such performances rendered were rendered by Subrecipient. Department's approval under Section 15 does not constitute adoption, ratification, or acceptance of Subrecipient's or subsubrecipient's performance hereunder. Department maintains the right to insist upon Subrecipient's full compliance with the terms of this contract, and by the act of approval under Section 15, Department does not waive any right of action which may exist or which may subsequently accrue to Department under this contract.

SECTION 16. CONFLICT OF INTEREST/NEPOTISM

A. Subrecipient covenants that neither it nor any member of its governing body has or shall acquire any interest, direct or indirect, which would conflict in any manner with the performance of this contract. No person having such interest shall be employed by Subrecipient or appointed as a member of Subrecipient's governing body. No member of Subrecipient's governing body may be employed by Subrecipient during his service on the board or for twelve months thereafter.

B. Subrecipient agrees that it will ensure that no officer, employee, or member of Subrecipient's governing body shall vote for or confirm the employment of any person related within the second degree by affinity or third degree by consanguinity to any member of the governing body or to any other officer or employee authorized to employ or supervise such person. A definition of such prohibited relationship may be found in §573.021 et seq. of the Texas Government Code. This prohibition shall not prohibit the continued employment of a person who has been continuously employed for a period of one year prior to the election or appointment of the officer, employee, or governing body member related to such person in the prohibited degree.

C. No employee, officer, or agent of Subrecipient shall participate in the selection, award, or administration of a subcontract supported by funds provided hereunder if a conflict of interest, real or apparent, would be involved. Such a conflict of interest would arise when: 1) the employee, officer, or agent; 2) any member of his or her immediate family; 3) his or her partner; or 4) any organization which employs or is about to employ, any of the above, has a financial or other interest in the firm or person selected to perform the subcontract.

D. Subrecipient's employees, officers, and agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from subcontractors, or potential subconctractors.

SECTION 17. COMPLIANCE WITH LAWS

A. Subrecipient shall comply with the CSBG Act and with the rules and regulations promulgated there under, and with all federal, state, and local laws and regulations applicable to the performance of this contract, including 10 TAC, Part I, Ch 5, Subch. A, Section 5.1-5.15.

B. Under Section 2261.053, Government Code, Bidder or Awardee Name certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

SECTION 18. PROGRAM INCOME

Subrecipient shall account for and expend program income derived from activities financed in whole or in part with funds provided under this contract in accordance with the Uniform Grant Management Standards, Common Rule, §_.25.

SECTION 19. NON-DISCRIMINATION AND EQUAL OPPORTUNITY

No person shall on the ground of race, color, religion, sex, national origin, age, disability, political affiliation or belief be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in the administration of or in connection with any program or activity funded in whole or in part with funds made available under this contract.

SECTION 20. LEGAL AUTHORITY

A. Subrecipient represents that it possesses the legal authority to enter into this contract and to perform the services Subrecipient has obligated itself to perform hereunder.

B. The person signing this contract on behalf of Subrecipient hereby warrants that he/she has been duly authorized by Contract to execute this contract on behalf of Subrecipient and to bind Subrecipient to the terms herein set forth.

C. Department shall have the right to terminate this contract if there is a dispute as to the legal authority of either Subrecipient or the person signing this contract to enter into this contract or to render performances hereunder. Subrecipient is liable to Department for any money it has received from Department for performance of the provisions of this contract, if Department has terminated this contract for reasons enumerated in this Section 20.

SECTION 21. AUDIT

A. For any fiscal year included within the Grant Period during which the Subrecipient expended $500,000 or more in total federal or $500,000 in total state financial assistance, Subrecipient shall arrange for the performance of an annual audit of the funds received and performances rendered under this grant agreement. The audit shall be made in accordance with the Single Audit Act Amendments of 1996, 31 U.S.C. ch. 75; and OMB Circular No. 133 (as revised on 6/30/1997), "Audits of States, Local Governments, and Non-Profit Organizations." The term "federal financial assistance" includes awards of federal financial assistance received directly from federal agencies, or indirectly through units of state and local government.

B. Notwithstanding Subsection A, of this Section 21, Subrecipients expending less than $500,000 in Federal financial assistance or $500,000 in State financial assistance, may arrange for the performance of an annual financial statement audit. Such audit should include verification of all expenditures by budget category, in accordance with final Monthly/Financial/Funding Performance Report (MFFPR) submitted to close out allocation year.

C. Subrecipient shall submit two (2) copies of the report of such audit to Department within thirty (30) days after the completion of the audit, but no later than nine (9) months after the end of the audit period. Subrecipient shall insure that the audit report is made available for public inspection within thirty (30) days after completion of the audit. Audits performed under this Section 21 are subject to review and resolution by Department or its authorized representative.

D. For any fiscal year ending within or immediately after the Grant Period, Subrecipient must submit an "Audit Certification Form" (available from the Department) within sixty (60) days after the Subrecipients fiscal year end.

E. Department reserves the right to conduct additional audits of the funds received and performances rendered under this grant agreement. Subrecipient agrees to permit Department or its authorized representative to audit Subrecipient's records and to obtain any documents, materials, or information necessary to facilitate such audit.

F. Subrecipient shall be liable to Department for any costs disallowed pursuant to audit(s) of funds received under this agreement. Subrecipient shall reimburse such disallowed costs with funds that are not provided under this contract.

G. Subrecipient shall procure audit services through an open, competitive process at least once every four years. The auditor shall retain working papers and reports for a minimum of three years after the date of issuance of the auditor's report to the auditee. Audit working papers shall be made available upon request to Department at the completion of the audit, as a part of a quality review, to resolve audit findings, or to carry out oversight responsibilities consistent with the purposes of this part. Access to working papers includes the right to obtain copies of working papers, as is reasonable and necessary.

SECTION 22. TRAVEL

Allowable travel costs under this contract shall be determined in accordance with OMB Circulars A-122 or A-87, as applicable, any Department Issuance on travel, and with Subrecipient's written travel policy. Subrecipient's written travel policy shall delineate the rates which Subrecipient shall use in computing the travel and per diem expenses of its board members and employees. Prior to incurring any costs for travel, Subrecipient must provide Department with a copy of its travel policy and evidence that such policy has been approved by Subrecipient's governing body. If Subrecipient has no established written travel policy, the travel regulations applicable to Department employees shall apply.

SECTION 23. POLITICAL ACTIVITY PROHIBITED

A. None of the funds provided under this contract shall be used for influencing the outcome of any election, or the passage or defeat of any legislative measure. This prohibition shall not be construed to prevent any official or employee of Subrecipient from furnishing to any member of its governing body upon request, or to any other local or state official or employee or to any citizen, information in the hands of the employee or official not considered under law to be confidential information. Any action taken against an employee or official for supplying such information shall subject the person initiating the action to immediate dismissal from employment.

B. No funds provided under this contract may be used directly or indirectly to hire employees or in any other way fund or support candidates for the legislative, executive, or judicial branches of government of Subrecipient, the State of Texas, or the government of the United States.

C. None of the funds under this contract shall be expended in payment of the salary for full-time employment of any employee who is also the paid lobbyist of any individual, firm, association, or corporation. None of the funds provided by this contract shall be expended in payment of the partial salary of a part-time employee who is required to register as a lobbyist by virtue of the employee's activities for compensation by or on behalf of industry, a profession or association related to operation of Subrecipient. A part-time employee may serve as a lobbyist on behalf of industry, a profession, or association so long as such entity is not related to Subrecipient. Except as authorized by law, no contract funds shall be expended in payment of membership dues to an organization on behalf of Subrecipient or an employee of Subrecipient if the organization pays all or part of the salary of a person required to register under Chapter 305, Government Code.

D. None of the funds provided under this contract shall be paid to any official or employee who violates any of the provisions of this section.

E. Programs assisted with CSBG funds shall not be carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel, in a manner supporting or resulting in the identification of such programs with-

1. any partisan or non partisan political activity or any political activity associated with a candidate, or contending faction or group, in an election for public or party office;

2. any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election; or

3. any voter registration activity.

SECTION 24. SECTARIAN INVOLVEMENT PROHIBITED

No funds received by Subrecipient hereunder shall be used, either directly or indirectly, to support any religious or anti-religious activity.

SECTION 25. COPYRIGHT

Subrecipient may copyright materials developed in the performance of this contract or with funds expended under this contract. Department and HHS shall each have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the copyrighted work for government purposes.

SECTION 26. PREVENTION OF FRAUD AND ABUSE

A. Subrecipient shall establish, maintain, and utilize internal controls sufficient to provide for the proper and effective management of all program and fiscal activities funded under this contract. Subrecipient's internal controls and all transactions and other significant events are to be clearly documented and the documentation shall be readily available for monitoring by Department.

B. Subrecipient shall give Department complete access to all of its records, employees, and agents for the purpose of monitoring or investigating the CSBG program. Subrecipient shall fully cooperate with Department's efforts to detect, investigate, and prevent waste, fraud, and abuse.

C. Subrecipient shall not discriminate against any employee or other person who reports a violation of the terms of this contract or of any law or regulation to Department or to any appropriate law enforcement authority if the report is made in good faith.

SECTION 27. MAINTENANCE OF EFFORT

Funds provided to Subrecipient under this contract may not be substituted for funds or resources from any other source nor in any way serve to reduce the funds or resources which would have been available to or provided through Subrecipient had this contract never been executed.

SECTION 28. NO WAIVER

Any right or remedy given to Department by this contract shall not preclude the existence of any other right or remedy, nor shall any action taken in the exercise of any right or remedy be deemed a waiver of any other right or remedy. The failure of Department to exercise any right or remedy on any occasion shall not constitute a waiver of Department's right to exercise that or any other right or remedy at a later time.

SECTION 29. SEVERABILITY

If any portion of this contract is held to be invalid by a court or administrative tribunal of competent jurisdiction, the remainder shall remain valid and binding.

SECTION 30. PRIOR ORAL AND WRITTEN AGREEMENTS

All oral and written agreements between the parties relating to the subject matter of this contract have been reduced to writing and are contained in this document and the exhibits attached hereto.

SECTION 31. COMMUNITY ACTION PLAN

Each eligible entity, as a condition to lists receipt of funding under this Act, shall submit to the Department a community action plan that includes:

A. a community needs assessment (including food needs);

B. a description of the service delivery system targeted to low-income individuals and families in the service area, including homeless individuals and families, migrants, and the elderly poor;

C. a description of how linkages will be developed to fill identified gaps in services through information, referral, case management, and follow-up consultations;

D. a description of how funding under this Act will be coordinated with other public and private resources; and,

E. a description of outcome measures to be used to monitor success in promoting self-sufficiency, family stability, and community revitalization.

SECTION 32. SPECIAL CONDITIONS

The Pro-Children Act of 1994, [20 U.S.C. Sec. 6081 et seq.] requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18 if the services are funded by Federal programs either directly or through States or local governments by Federal grant, contract, loan or loan guarantee.

SECTION 33. EXCLUDED PARTIES LIST SYSTEM

By signing this contract, Subrecipient certifies that neither it nor its current principle parties are included in the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA). Subrecipient also certifies that it will not award any funds provided by this contract to any party that is debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549. Subrecipient agrees that prior to entering into any agreement with a potential subcontractor that the verification process to comply with this requirement will be accomplished by checking the Excluded Parties List System @ http://www.epls.gov/ or by collecting a certification from the potential subcontractor.

Effective Date: January 01, 2008

Hidalgo County Community Services Agency

By:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

By:

This contract is effective when signed by the Texas Department of Housing and Community Affairs Executive Director or his authorized designee.

SECTION 1. PARTIES TO THE CONTRACT

This contract is made by and between the Texas Department of Housing and Community Affairs (the "Department"), an agency of the State of Texas and Hidalgo County Community Services Agency (the "Subrecipient").

SECTION 2. CONTRACT PERIOD

The period for performance of this contract, unless earlier terminated, is January 01, 2008 through December 31, 2008.

SECTION 3. SUBRECIPIENT PERFORMANCE

Subrecipient shall, on an equitable basis throughout its service area, operate a Comprehensive Energy Assistance Program, (the "CEAP"), in accordance with the terms of this contract and all applicable state and federal regulations. Subrecipient shall assist low-income persons, with priority being given to elderly, persons with disabilities, households with young children under 6 years of age, households with high energy burden and households with high energy consumption. Subrecipient shall provide services in relation to the current census demographics for age, income, and ethnicity for Subrecipient's service area. Subrecipient shall implement the CEAP in accordance with the Low-Income Home Energy Assistance Act of 1981, as amended, 42 U.S.C. Sec. 8621 et seq. (the "LIHEAP Act" Public Law 97-35), Texas Administrative Code (10 TAC §6.201-6.214) and the LIHEAP State Plan. Services shall include the following categories of assistance: Energy Crisis, Co-Payment, Elderly and Disabled, and Heating/Cooling Systems as well as LIHEAP Assurance 16 activities, as further specified in the Budget (Attachment A)

SECTION 4. DEPARTMENT OBLIGATIONS

A. In consideration of Subrecipient's satisfactory performance of this contract, Department shall reimburse Subrecipient for the actual allowable costs incurred by Subrecipient in the amount specified in Attachment A of this contract.

B. Any decision to obligate additional funds or deobligate funds shall be made by Department based upon factors including, but not limited to, the status of funding under grants to Department, the rate of Subrecipient's utilization of funds under this or previous contracts, the existence of questioned or disallowed costs under this or other contracts between the parties, and Subrecipient's overall compliance with the terms of this contract.

C. Department's obligations under this contract are contingent upon the actual receipt of funds from the U.S. Department of Health and Human Services and the State of Texas. Department acknowledges that it has received obligations from those sources, which, if paid, will be sufficient to pay the allowable costs incurred by Subrecipient under this contract.

D. Department is not liable for any cost incurred by Subrecipient which:

(1) is subject to reimbursement by a source other than CEAP/LIHEAP;

(2) is for performance of services or activities not authorized by the LIHEAP Act, or which is not in accordance with the terms of this contract;

(3) is not reported to Department on a Monthly Funding/Financial/Performance Report within sixty (60) days following the termination of the Allocation Period; or,

(4) is not incurred during the Allocation Period.

SECTION 5. METHOD OF PAYMENT/CASH BALANCES

A. Each month, Subrecipient may request an advance payment by electronically submitting to Department at its offices in Austin, Travis County, Texas, no later than the fifteenth (15th) day of the month prior to the month for which advance payment is sought, a properly completed Funding Report for an amount not to exceed Subrecipient's actual cash needs for the month for which such advance is sought.

B. Subrecipient's requests for advances shall be limited to the amount needed and be timed to be in accordance with actual immediate cash requirements of the Subrecipient in carrying out the purpose of this contract. The timing and amount of cash advances shall be as close as administratively feasible to the actual disbursement by the Subrecipient for direct program costs and the proportionate share of any allowable indirect costs. Subrecipient shall establish procedures to minimize the time elapsing between the transfer of funds from Department to Subrecipient and the disbursement of such funds by Subrecipient.

C. Subsection 5(A) notwithstanding, Department reserves the right to utilize a cost reimbursement method of payment if (1) Subrecipient maintains excessive cash balances or requests advance payments in excess of thirty (30) days need; (2) Department identifies any deficiency in the internal controls or financial management system used by Subrecipient; (3) Subrecipient violates any of the terms of this contract; (4) Department's funding sources require the use of a cost reimbursement method of payment or (5) Subrecipient owes the Department funds.

D. Subrecipient shall refund, within fifteen (15) days of Department's request, any sum of money paid to Subrecipient by Department which Department determines: (1) has resulted in an overpayment to Subrecipient; or (2) has not been spent strictly in accordance with terms of this contract. Failure to comply will result in freezing contract funds and suspending the contract until such time as funds owed to the Department are paid. The Department may offset or withhold any amounts otherwise owed to Subrecipient under this contract against any amount owed by Subrecipient to Department arising under this or any other contract between the parties.

E. All funds paid to Subrecipient under this contract are paid in trust for the exclusive benefit of the eligible clients of the Comprehensive Energy Assistance Program and for allowable administrative, direct services support, assurance 16 activities, direct services, and training/travel expenditures.

SECTION 6. COST PRINCIPLES AND ADMINISTRATIVE REQUIREMENTS

Except as expressly modified by law or the terms of this contract, Subrecipient shall comply with the cost principles and uniform administrative requirements set forth in the Uniform Grant and Contract Management Standards 1 T.A.C.§5.141 et seq. (the "Uniform Grant Management Standards") provided, however, that all references therein to "local government" shall be construed to mean Subrecipient. Uniform cost principles for local governments are set forth in OMB Circular A-87, and for non-profit organizations in OMB circular A-122. Uniform administrative requirements for local governments are set forth in OMB Circular A-102, and for non-profits in OMB Circular A-110. OMB Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations," sets forth audit standards for governmental organizations and other organizations expending Federal funds. The expenditure threshold requiring an audit under circular A-133 is $500,000.

SECTION 7. USE OF ALCOHOLIC BEVERAGES

None of the funds provided under this contract shall be used for the payment of salaries to any employee who uses alcoholic beverages during normal work hours as defined by the agency. No funds provided under this contract for travel expenses shall be used for the purchase of alcoholic beverages.

SECTION 8. ALLOWABLE ADMINISTRATIVE, ASSURANCE 16 ACTIVITIES, AND DIRECT SERVICES SUPPORT EXPENDITURES

Administrative, Assurance 16 Activities (LIHEAP Statute §2605(b)(16)), and Direct Services Support costs incurred by Subrecipient in carrying out this contract shall be allowable up to the maximum percentage of the total allowable contract expenditures within the Allocation Period as specified in Attachment A of this contract, excluding travel costs for training.

A. Administrative and Assurance 16 Activities funds are earned through provision of direct services to clients. Subrecipient may choose to submit a final budget revision in October to use its administration, Assurance 16 Activities, and direct services support dollars for direct service categories; however, subrecipient is still required to perform Assurance 16 Activities and Direct Service Support activities.

B. Direct Services Support expenditures are earned through provision of direct services to clients and must be supported by appropriate documentation of the allowable activities. Direct Service Support includes costs not administrative in nature but those used for outreach and targeting only to eligible households not previously served under CEAP. Allowable expenditures include but are not limited to salaries, fringe benefits, and travel expenditures of staff when conducting outreach, and application intake Subrecipient may opt to use LIHEAP Direct Service Support allocation for Direct Client Services only if they provide documentation that they have used non-LIHEAP resources in a comparable amount to serve the requirements of Direct Service Support. Computer purchases and any related expenditures must be charged to Administration, not Direct Services Support.

C. In order to achieve compliance with the LIHEAP Act, subrecipient must coordinate with other energy related programs. Specifically, subrecipient must make documented referrals to the local WAP subrecipient.

D. Subrecipient shall accept applications for CEAP benefits at sites that are geographically accessible to all households in the service area. Subrecipient shall provide elderly and disabled individuals the means to submit applications for CEAP benefits without leaving their residence or by securing transportation for them to the sites that accept such applications.

SECTION 9. TERMINATION AND SUSPENSION

A. Department may terminate this contract, in whole or in part, at any time Department determines that there is cause for termination. Cause for termination includes, but is not limited to, Subrecipient's failure to comply with any term of this contract. Department shall notify Subrecipient in writing at least thirty (30) days before the date of termination.

B. Department may deobligate all or part of the funds provided under this contract if Subrecipient has not expended at least 50% of the funds within six months after the commencement of the Allocation Period, or if the Subrecipient has not expended at least 70% of the funds within nine months after commencement of the Allocation Period. Subrecipient's failure to expend the funds provided under this contract in a timely manner may also result in either the termination of this contract or Subrecipient's ineligibility to receive additional funding under the Comprehensive Energy Assistance Program, or a reduction in the original allocation of funds to Subrecipient.

C. Nothing in this Section shall be construed to limit Department's authority to withhold payment and immediately suspend this contract if Department identifies possible instances of fraud, abuse, waste, fiscal mismanagement, or other deficiencies in Subrecipient's performance. Suspension shall be a temporary measure pending either corrective action by Subrecipient or a decision by Department to terminate this contract.

D. Notwithstanding any exercise by Department of its right of termination or suspension, Subrecipient shall not be relieved of any liability to Department for damages by virtue of any breach of this contract by Subrecipient. Department may withhold any payment due to Subrecipient until such time as the exact amount of damages due to Department is agreed upon or is otherwise determined.

E. Department shall not be liable for any costs incurred by Subrecipient after termination or during suspension of this contract.

SECTION 10. CHANGES AND AMENDMENTS

Any change in the terms of this contract required by a change in federal or state law or regulation is automatically incorporated herein effective on the date designated by such law or regulation. Except as otherwise specifically provided herein, any other change in the terms of this contract shall be by amendment in writing and signed by both parties to this contract or by a Letter of Notification (LON) signed by Department.

SECTION 11. NON BINDING GUIDANCE

Department may issue non-binding guidance to explain the rules and provide directions on terms of this Contract. Such non-binding guidance shall not alter the terms of this Contract so as to relieve Department of any obligation of reimbursement of an allowable cost incurred by Subrecipient prior to the effective date of the non-binding guidance.

SECTION 12. MONITORING

Department or its designee may conduct on and off-site monitoring and evaluation of Subrecipient's compliance with the terms of this contract. Department's monitoring may include a review of the efficiency, economy, and effectiveness of Subrecipient's performance. Department will notify Subrecipient in writing of any deficiencies noted during such monitoring. Department may provide training and technical assistance to Subrecipient in correcting the deficiencies noted. Department may require corrective action to remedy deficiencies noted in Subrecipient's accounting, personnel, procurement, and management procedures and systems. Department may conduct follow-up visits to review the previously noted deficiencies and to assess the Subrecipient's efforts made to correct them. Repeated deficiencies may result in disallowed costs. Department may terminate or suspend this contract or invoke other remedies Department determines to be appropriate in the event monitoring reveals material deficiencies in Subrecipient's performance, or Subrecipient fails to correct any such deficiency within a reasonable period of time. Department or its designee may conduct an ongoing program evaluation throughout the contract year.

SECTION 13. VENDOR AGREEMENTS

For each of Subrecipient's vendors, Subrecipient shall implement and maintain a vendor agreement that contains assurances relating to fair billing practices, delivery procedures, and pricing procedures for business transactions involving CEAP clients. All vendor agreements are subject to monitoring procedures performed by TDHCA. All vendor agreements must be renegotiated every two years.

SECTION 14. RETENTION AND ACCESSIBILITY OF RECORDS AND FILE MAINTENANCE

A. Subrecipient shall maintain financial and programmatic records, and supporting documentation for all expenditures made under this contract, in accordance with the records retention and custodial requirements set forth in the Uniform Grant Management Standards, Common Rule §42.

B. Subrecipient shall maintain a client file system to document direct services rendered. Each client file shall contain the following:

(1) Client application containing all Department requirements;

(2) Documentation/verification of client income for the 30 days preceding their application for all household members 18 years and older, or Declaration of Income Statement (if applicable); as outlined in Title 10, Part I, Chapter 6, Subchapter C, 10 TAC §5.205.

(3) Copy of client's utility bill(s);

(4) Energy consumption history for previous 12 months (when available) (all fuel types) for all components;

(5) Documentation of payment (Documentation of payment may be maintained in a separate file, but must be accessible to the Department.);

(6) Documentation of benefits determination (when required by component);

(7) Notice of Denial Form (if applicable);

(8) Right of appeal and procedures (if applicable) for denial or termination of services;

(9) Any documentation required by directives; and

(10) Client service agreement (as required by component).

(11) Case notes sufficient to document that Assurance 16 activities (needs assessment, referrals, budget counseling, energy conservation education and assistance with energy vendors) have occurred.

(12) Priority rating form.

(13) Appliance assessment information is required by CEAP and includes at a minimum the following information on all major heating and cooling appliances to include water heaters and refrigerators:

Type of appliance	Efficiency rating
Fuel used	Location of appliance
Size of appliance	Condition
Age of appliance	Input/Output BTU
Size of room where appliance is used	Recommendation
Carbon Monoxide (CO) levels for all combustion appliances	

C. Subrecipient shall maintain complete client files at all times. Costs associated with incomplete files found at the time of program monitoring may be disallowed.

D. Subrecipient shall give the U.S. Department of Health and Human Services, the U.S. General Accounting Office, the Texas Comptroller, the State Auditor's Office, and Department, or any of their duly authorized representatives, access to and the right to examine and copy, on or off the premises of Subrecipient, all records pertaining to this contract. Such right to access shall continue as long as the records are retained by Subrecipient. Subrecipient agrees to maintain such records for three (3) years in an accessible location and to cooperate with any examination conducted pursuant to this Subsection. Subrecipient shall include the substance of this subsection in all subcontracts. Upon termination of this contract, all records are property of the CEAP.

SECTION 15. PROCUREMENT STANDARDS

A. Subrecipient shall develop and implement procurement procedures which conform to the uniform administrative requirements in Section 6. Subrecipient shall procure supplies, equipment, materials, or services in accordance with its procurement procedures and Policy Issuance #02-10.2. All procurement contracts, other than "small purchases" as defined in Policy Issuance #02-10.2, shall be in writing and shall contain the provisions required by Policy Issuance #02-10.2.

B. Subrecipient shall ensure that its subcontractors comply with all applicable terms of this contract as if the performance rendered by the subcontractor was being rendered by Subrecipient. Subrecipient shall inspect all subcontractors' work and shall be responsible for ensuring that it is completed in a good and workmanlike manner.

C. Materials and supplies procured by the state may be purchased by Subrecipient from state contracts without requiring additional solicitation. Procurement from state vendors is strongly encouraged and in some instances may be required.

D. Subrecipient shall include language in any subcontract that provides the Department the ability to directly review, monitor, and/or audit the operational and financial performance and/or records of work performed under this contract.

SECTION 16. REPORTING REQUIREMENTS

A. Subrecipient shall electronically submit to Department, no later than fifteen (15) days after the end of each month of the Allocation Period, a Funding Report of all expenditures of funds and clients served under this contract during the previous month.

B. Subrecipient shall submit to Department, no later than sixty (60) days after the end of the Allocation Period, an inventory of all vehicles, tools, and equipment with a unit acquisition cost of $5,000 or more and a useful life of more than one year, if purchased in whole or in part with funds received under this contract or previous Comprehensive Energy Assistance Program contracts. The inventory shall include the vehicles, tools, equipment, and appliances purchased with heating and cooling funds on hand as of the last day of the Allocation Period. Subrecipient acknowledges that all equipment and supplies purchased with funds from the CEAP are the property of CEAP and as such, stay with the subrecipient which provides CEAP services in the service area.

C. Subrecipient shall electronically submit to Department, no later than sixty (60) days after the end of the Allocation Period, a final Funding Report of all expenditures of funds and clients served under this contract. Failure of Subrecipient to provide a full accounting of funds expended under this contract may result in the termination of this contract and ineligibility to receive additional funds. If Subrecipient fails to submit a final expenditure/performance report within 60 days of the end of the allocation period, Department will use the last report submitted by Subrecipient as the final report.

D. If Subrecipient fails to submit, in a timely and satisfactory manner, any report or response required by this contract, Department may withhold any or all payments otherwise due or requested by Subrecipient hereunder. Payments may be withheld until such time as the delinquent report or response is received by Department. If the delinquent report or response is not received within forty-five (45) days of its due date, Department may suspend or terminate this contract. If Subrecipient receives funds from Department over two or more Allocation Periods, funds may be withheld or this contract suspended or terminated for Subrecipient's failure to submit a past due report or response (including an audit report) from a prior contract or Allocation Period.

SECTION 17. INDEPENDENT SUBRECIPIENT

It is agreed that Department is contracting with Subrecipient as an independent entity. Subrecipient agrees to indemnify Department against any disallowed costs or other claims which may be asserted by any third party in connection with the services to be performed under this contract.

SECTION 18. SUBCONTRACTS

A. Subrecipient may not subcontract the performance of this contract unless it receives Department's prior written approval. Subrecipient shall submit to Department a signed copy of each such subcontract. Department is in no way liable to Subrecipient's subcontractor(s).

B. Subcontractors shall comply with the terms of this contract to the same extent as if the performance rendered by the subcontractor were being rendered by Subrecipient. Subcontractors are subject to monitoring and investigation by Department.

SECTION 19. CONFLICT OF INTEREST/NEPOTISM

A. Subrecipient covenants that neither it nor any member of its governing body presently has or shall acquire any interest, direct or indirect, which would conflict in any manner with the performance of this contract. No person having such interest shall be employed by Subrecipient or appointed as a member of Subrecipient's governing body.

B. Subrecipient agrees that it will comply with Tex. Gov't. Code Ann. Ch. 573 by ensuring that no officer, employee, or member of the governing body of Subrecipient shall vote or confirm the employment of any person related within the second degree by affinity or third degree by consanguinity to any member of the government body or to any other officer or employee authorized to employ or supervise such person.

C. Subrecipient shall ensure that no employee, officer, or agent of Subrecipient participates in the selection, award, or administration of a subcontract supported by funds provided hereunder if a conflict of interest, real or apparent, would be involved. Such a conflict of interest would arise when: (1) the employee, officer, or agent; (2) any member of his or her immediate family; (3) his or her partner; or (4) any organization which employs or is about to employ, any of the above, has a financial or other interest in the firm or person selected to perform the subcontract.

D. Subrecipient's employees, officers, and agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from subcontractors or potential subcontractors.

SECTION 20. NON-DISCRIMINATION AND EQUAL OPPORTUNITY

No person shall, on the grounds of race, color, religion, sex, national origin, age, handicap, political affiliation, or belief, be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in the administration of or in connection with any program or activity funded in whole or in part with funds made available under this contract.

SECTION 21. LEGAL AUTHORITY

A. Subrecipient represents that it possesses the practical ability and legal authority to enter into this contract, receive and manage the funds authorized by this contract, and to perform the services Subrecipient has obligated itself to perform hereunder.

B. The person signing this contract on behalf of Subrecipient hereby warrants that he/she has been duly authorized by Subrecipient to execute this contract on behalf of Subrecipient and to bind Subrecipient to the terms herein set forth.

C. Department shall have the right to suspend or terminate this contract if there is a dispute as to the legal authority of either Subrecipient, or the person signing this contract, to enter into this contract or to render performances hereunder. Should such suspension or termination occur, Subrecipient is liable to Department for any money it has received for performance of the provisions of this contract.

SECTION 22. DEPARTMENT/CEAP TRAVEL AND TRAINING

A. In order to encourage attendance by CEAP staff at Department-approved training and/or technical assistance events, the contract has a travel budget. The travel budget cannot be used as program dollars.

B. The travel funds are to be used only for Department-approved training events. Subrecipient shall adhere to OMB Circulars (A-87 {2 CFR 225} and A-122 {2 CFR 230} as appropriate), its board-approved travel policy, or the State of Texas travel policies.

C. From time to time, the Department may choose to add additional funds to this category for other required travel.

SECTION 23. AUDIT

A. Subrecipient shall arrange for the performance of an annual financial and compliance audit of funds received and performances rendered under this contract, subject to the following conditions and limitations:

(1) Subrecipient expending $500,000 or more in total Federal awards shall have an audit performed in accordance with the Single Audit Act Amendments of 1996, 31 U.S.C. 7501, and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations" issued June 30, 1997. For purposes of Section 23, "Federal financial assistance" means assistance provided by a Federal agency in the form of grants, contracts, loans, loan guarantees, property, cooperative agreements, interest subsidies, insurance or direct appropriations, or other assistance, but does not include amounts received as reimbursement for services rendered to individuals in accordance with OMB guidelines. The term includes awards of Federal financial assistance received directly from Federal agencies, or indirectly through other units of State and local government;

(2) Sections 4 D (3) and (4) above notwithstanding, Subrecipient may utilize funds budgeted under this contract to pay for that portion of the cost of such audit services properly allocable to the activities funded by Department under this contract, provided, however, that Department shall not make payment for the cost of such audit services until Department has received a satisfactory audit report from Subrecipient, as determined by Department.

(3) Subrecipient shall submit two (2)copies of such audit report to the Department within the earlier of thirty (30) days after receipt of the auditor's report(s), or nine (9) months after the end of the audit period. Subrecipient shall make audit report available for public inspection within thirty (30) days after receipt of the audit report(s). Audits performed under this Section are subject to review and resolution by Department or its authorized representative.

(4) The audit report must include verification of all expenditures by budget category, including matching funds, in accordance with "Attachment A-Budget" of this contract.

B. The cost of auditing services for a Subrecipient expending less than $500,000 in total Federal awards per fiscal year is not an allowable charge under Federal awards.

C. Subsection A of this Section 23 notwithstanding, Department reserves the right to conduct an annual financial and compliance audit of funds received and performance rendered under this contract. Subrecipient agrees to permit Department or its authorized representative to audit Subrecipient's records and obtain any documents, materials, or information necessary to facilitate such audit.

D. Subrecipient understands and agrees that it shall be liable to the Department for any costs disallowed pursuant to financial and compliance audit(s) of funds received under this contract. Subrecipient further understands and agrees that reimbursement to Department of such disallowed costs shall be paid by Subrecipient from funds which were not provided or otherwise made available to Subrecipient under this contract.

E. Subrecipient shall take such action to facilitate the performance of such audit or audits conducted pursuant to this Section 23 as Department may require of Subrecipient.

F. Subrecipient shall procure audit services through an open, competitive process at least once every four years. The auditor shall retain working papers and reports for a minimum of the four years after the date of directive of the auditor's report to the Subrecipient. Audit working papers shall be made available upon request to Department at the completion of the audit, as part of a quality review, to resolve audit findings, or to carry out oversight responsibilities consistent with the purposes of this Section. Access to working papers includes the right to obtain copies of working papers, as is reasonable and necessary.

SECTION 24. APPEALS PROCESS

In compliance with the LIHEAP Act, Subrecipient must provide an opportunity for a fair administrative hearing to individuals whose application for assistance is denied, terminated or not acted upon in a timely manner, according to the Title 10, Part I, Chapter 6, Subchapter C, 10 TAC §6.207.

SECTION 25. POLITICAL ACTIVITY PROHIBITED

A. None of the funds provided under this contract shall be used for influencing the outcome of any election, or the passage or defeat of any legislative measure. This prohibition shall not be construed to prevent any official or employee of Subrecipient from furnishing to any member of its governing body upon request, or to any other local or state official or employee, or to any citizen, information in the hands of the employee or official not considered under law to be confidential information. Any action taken against an employee or official for supplying such information shall subject the person initiating the action to immediate dismissal from employment.

B. No funds provided under this contract may be used directly or indirectly to hire employees or in any other way fund or support candidates for the legislative, executive, or judicial branches of government of Subrecipient, the State of Texas, or the government of the United States.

C. None of the funds provided under this contract shall be paid to any official or employee who violates any of the provisions of this section.

SECTION 26. PREVENTION OF WASTE, FRAUD, AND ABUSE

A. Subrecipient shall establish, maintain, and utilize systems and procedures to prevent, detect, and correct waste, fraud, and abuse in activities funded under this contract. The systems and procedures shall address possible waste, fraud, and abuse by Subrecipient, its employees, clients, vendors, subcontractors and administering agencies. Subrecipient's internal control systems and all transactions and other significant events are to be clearly documented, and the documentation is to be readily available for monitoring by Department.

B. Subrecipient shall give Department complete access to all of its records, employees, and agents for the purposes of any investigation of the Comprehensive Energy Assistance Program. Subrecipient shall immediately notify Department of any discovery of waste, fraud, or abuse. Subrecipient shall fully cooperate with Department's efforts to detect, investigate, and prevent waste, fraud, and abuse in the Comprehensive Energy Assistance Program.

C. Subrecipient may not discriminate against any employee or other person who reports a violation of the terms of this contract, or of any law or regulation, to Department or to any appropriate law enforcement authority, if the report is made in good faith.

D. Under Section 2261.053, Government Code, Hidalgo County Community Services Agency certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

SECTION 27. MAINTENANCE OF EFFORT

Funds provided to Subrecipient under this contract may not be substituted for funds or resources from any other source nor in any way serve to reduce the funds or resources which would have been available to, or provided through, Subrecipient had this contract never been executed.

SECTION 28. NO WAIVER

Any right or remedy given to Department by this contract shall not preclude the existence of any other right or remedy, nor shall any action taken in the exercise of any right or remedy be deemed a waiver of any other right or remedy. The failure of Department to exercise any right or remedy on any occasion shall not constitute a waiver of Department's right to exercise that or any other right or remedy at a later time.

SECTION 29. SEVERABILITY

If any portion of this contract is held to be invalid by a court or administrative tribunal of competent jurisdiction, the remainder shall remain valid and binding.

SECTION 30. PRIOR ORAL AND WRITTEN AGREEMENTS

All oral and written agreements between the parties relating to the subject matter of this contract have been reduced to writing and are contained in this document and attachments.

SECTION 31. DEBARRED AND SUSPENDED PARTIES

1. Subrecipient must not make any award (subgrant or contract) to any party which is debarred or suspended or is otherwise excluded from, or ineligible for participation in, Federal assistance programs under Executive Order 12549, "Debarment and Suspension 45 C.F.R. Part 76" (also, 48 C.F.R. Part 9).

2. Subrecipient certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department.

3. Where Subrecipient is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this contract.

4. Subrecipient shall include in any subcontracts acknowledgement that failure to adequately perform under this Contract may result in penalties up to and including Debarment from performing additional work for the Department.

SECTION 32. ENVIRONMENTAL TOBACCO SMOKE/PRO-CHILDREN ACT OF 1994

Subrecipient agrees that if it or any of its subgrantees provides children's services funded directly or indirectly with Federal dollars, it will comply with 20 U.S.C. 6081 et seq. Part B, Pro-Children Act of 1994, concerning prohibition of smoking in certain indoor facilities providing services to children. Failure to comply with the provisions of this law may result in the imposition of a civil monetary penalty of up to $1,000.00 per day.

SECTION 33. ATTACHMENTS

The attachments identified below are hereby made a part of this contract:

(1) Attachment A, Budget

SIGNED this day of

Hidalgo County Community Services Agency

By:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

By:

This contract is not effective unless signed by the Executive Director of the Department or authorized designee.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CONTRACT NO. 58080000169 FOR THE
COMPREHENSIVE ENERGY ASSISTANCE PROGRAM (CEAP)
(CFDA # 93.568)
AMENDMENT NUMBER: 1

SECTION 1.

This contract (hereinafter "Contract" is made by and between the Texas Department of Housing and Community Affairs (the "Department"), an agency of the State of Texas and Hidalgo County Community Services Agency (hereinafter the "Subrecipient").

SECTION 2.

The period for performance of this contract, unless earlier terminated, is January 01, 2008 through December 31, 2008 (hereinafter the "Contract Term").

SECTION 3.

The contract is amended by: Obligating second quarter funds as well as the Energy Contigency Award.

SECTION 4. AGREEMENT

The parties hereto agree that all other terms of the Contract shall remain in effect as therein set forth and shall continue to govern except to the extent that said terms conflict with the terms of this amendment. In the event any conflict in terms exists, this amendment shall control, unless it can not be read consistently with the entirety of the contract or is made void by operation of law. Each capitalized term not expressly defined herein shall have the meaning given to such term in the Contract.

SECTION 5.

This amendment shall be effective on the date of execution.

SECTION 6.

By signing this amendment, the parties expressly understand and agree that its terms shall become a part of the Contract as if it were set forth word for word therein. This amendment shall be binding upon the parties hereto and their respective successors and assigns.

AGREED TO AND EXECUTED BY:

Hidalgo County Community Services Agency

By:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

By:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CONTRACT NO. 58080000169 FOR THE
COMPREHENSIVE ENERGY ASSISTANCE PROGRAM (CEAP)
(CFDA # 93.568)
ATTACHMENT A BUDGET

DEPARTMENT FINANCIAL OBLIGATIONS

$ 1,758,435.00	CEAP FUNDS CURRENTLY AVAILABLE
$ 1,100.00	TRAINING TRAVEL ALLOWANCE FUNDS CURRENTLY AVAILABLE

BUDGET FOR AVAILABLE ALLOCATIONS

BUDGET CATEGORY	FUNDS	%
TOTAL CEAP BUDGET		-
Co-payment	$ 361,695.00	23.75
Direct Service Support	$ 76,146.00	5.00
Elderly and Disabled	$ 361,696.00	23.75
Energy Crisis	$ 361,696.00	23.75
Heating/Cooling	$ 361,696.00	23.75
TOTAL DIRECT SERVICES	1,522,929.00	100.00

Subrecipient's service area consists of the following Texas counties:

HIDALGO

Administrative costs, salaries, fringe benefits, non-training travel, equipment, supplies, audit and office space are limited to 7.00% of the contract expenditures, excluding Training/Travel costs.

Assurance 16 Activities costs are limited to 6.00% of the contract expenditures excluding Training and Travel costs. Direct Services Support costs are limited to 5.00% of total Direct Services expenditures.

Subrecipients may adjust budgets within the components at levels not to exceed 10% of the component budget. Expenditures for Elderly/Disabled and Heating/Cooling must be a minimum 10% of Direct Service Dollars expended. Energy Crisis and Co-Payment Percentage will be established by Subrecipient. Direct Services Support (may not exceed 5% of Direct Services dollars expended).

Department's prior written approval for purchase or lease of equipment with an acquisition cost of $5,000 and over is required. Approval of this budget does not constitute prior approval for such purchases.

Funds may not be used for the purchase or improvement of land, or the purchase, construction, or permanent improvement of any building or facility.

Subrecipient is limited to only one budget revision request during the first 6 months of the Allocation Period. A second and final budget revision must be received by the Department on or before October 31, 2008.

Subrecipient shall provide outreach services under all components in this category. Failure to do so may result in contract termination. Subrecipient must document outreach, whether the outreach is conducted with "Direct Service Support" funds or other funds.

Effective Date of Budget: 04/01/2008

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CONTRACT NO. 58080000169 FOR THE
COMPREHENSIVE ENERGY ASSISTANCE PROGRAM (CEAP)
(CFDA # 93.568)
AMENDMENT NUMBER: 2

SECTION 1.

This contract (hereinafter "Contract" is made by and between the Texas Department of Housing and Community Affairs (the "Department"), an agency of the State of Texas and Hidalgo County Community Services Agency (hereinafter the "Subrecipient").

SECTION 2.

The period for performance of this contract, unless earlier terminated, is January 01, 2008 through December 31, 2008 (hereinafter the "Contract Term").

SECTION 3.

The contract is amended by: Obligating 2008 LIHEAP additional funding, TDHCA Administration, and 2007 CEAP Unutilized Balance. As well as the changes to Section 11. Non-Binding Guidance

Department may issue non-binding guidance to explain the rules and provide directions on terms of this Contract. Such non-binding guidance shall not alter the terms of this Contract so as to relieve Department of any obligation of reimbursement of an allowable cost incurred by Subrecipient prior to the effective date of the non-binding guidance.

SECTION 4. AGREEMENT

The parties hereto agree that all other terms of the Contract shall remain in effect as therein set forth and shall continue to govern except to the extent that said terms conflict with the terms of this amendment. In the event any conflict in terms exists, this amendment shall control, unless it can not be read consistently with the entirety of the contract or is made void by operation of law. Each capitalized term not expressly defined herein shall have the meaning given to such term in the Contract.

SECTION 5.

This amendment shall be effective on the date of execution.

SECTION 6.

By signing this amendment, the parties expressly understand and agree that its terms shall become a part of the Contract as if it were set forth word for word therein. This amendment shall be binding upon the parties hereto and their respective successors and assigns.

AGREED TO AND EXECUTED BY:

Hidalgo County Community Services Agency

By:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

By:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
CONTRACT NO. 58080000169 FOR THE
COMPREHENSIVE ENERGY ASSISTANCE PROGRAM (CEAP)
(CFDA # 93.568)
ATTACHMENT A BUDGET

DEPARTMENT FINANCIAL OBLIGATIONS

$ 1,940,103.00 CEAP FUNDS CURRENTLY AVAILABLE

$ 1,100.00 TRAINING TRAVEL ALLOWANCE FUNDS CURRENTLY AVAILABLE

BUDGET FOR AVAILABLE ALLOCATIONS

BUDGET CATEGORY	FUNDS	%
TOTAL CEAP BUDGET		
Co-payment	$ 35,000	40.9%
Direct Service Support	$ 54,180	2.0%
Elderly and Disabled	$ 617,000	34.6%
Energy Crisis	$ 728,950*	19.5%
Heating/Cooling	$ 348,066	3.0%
TOTAL DIRECT SERVICES	$1,783,196	100%

Subrecipient's service area consists of the following Texas counties:

HIDALGO

*$100,000 earmarked for Disaster Relief Assistance (TAC)

Administrative costs, salaries, fringe benefits, non-training travel, equipment, supplies, audit and office space are limited to 7.00% of the contract expenditures, excluding Training/Travel costs.

Assurance 16 Activities costs are limited to 6.00% of the contract expenditures excluding Training and Travel costs. Direct Services Support costs are limited to 5.00% of total Direct Services expenditures.

Subrecipients may adjust budgets within the components at levels not to exceed 10% of the component budget. Expenditures for Elderly/Disabled and Heating/Cooling must be a minimum 10% of Direct Service Dollars expended. Energy Crisis and Co-Payment Percentage will be established by Subrecipient. Direct Services Support (may not exceed 5% of Direct Services dollars expended).

Department's prior written approval for purchase or lease of equipment with an acquisition cost of $5,000 and over is required. Approval of this budget does not constitute prior approval for such purchases.

Funds may not be used for the purchase or improvement of land, or the purchase, construction, or permanent improvement of any building or facility.

Subrecipient is limited to only one budget revision request during the first 6 months of the Allocation Period. A second and final budget revision must be received by the Department on or before October 31, 2008.

Subrecipient shall provide outreach services under all components in this category. Failure to do so may result in contract termination. Subrecipient must document outreach, whether the outreach is conducted with "Direct Service Support" funds or other funds.

Effective Date of Budget: 08/01/2008

SECTION 1. PARTIES TO THE CONTRACT

This contract is made by and between the Texas Department of Housing and Community Affairs, an agency of the State of Texas, (herein the "Department") and Hidalgo County Community Services Agency (herein the "Subrecipient").

SECTION 2. CONTRACT PERIOD

This contract shall commence on August 01, 2008, and, unless earlier terminated, shall end on December 31, 2008 (herein the "Contract Period").

SECTION 3. SUBRECIPIENT PERFORMANCE

A. Pursuant to the Community Services Block Grant Act, 42 U.S.C. §9901 et seq. (herein the "CSBG Act"), Subrecipient shall operate, on an equitable basis throughout Subrecipient's service area, a program to ameliorate the causes of poverty. Subrecipient shall provide services and activities of the type specified in 42 U.S.C. §9907(b). Subrecipient's service area consists of the following counties:

HIDALGO

B. The services and activities to be provided are specified in the Performance Statement. Subrecipients shall notify the Department if activities or services specified in the Performance Statement will not be carried out.

SECTION 4. DEPARTMENT OBLIGATIONS

A. Measure of Liability

In consideration of Subrecipient's satisfactory performance of this contract, as determined by Department, Department shall be liable for actual and reasonable costs incurred by Subrecipient during the contract period for performances rendered under this contract, subject to the limitations set forth in this Section 4.

(1) Department's obligations under this Section are contingent upon the actual receipt by Department of funds from the U.S. Department of Health and Human Services (hereinafter "HHS"). If adequate funds are not available to make payments under this contract, Department shall terminate this contract and shall not be liable for failure to make payments hereunder.

(2) Department is not liable to Subrecipient for any cost incurred by Subrecipient which:

a. is subject to reimbursement by a source other than Department;

b. is for the performance of services or activities not authorized by 42 U.S.C. §9907(b), is for one of the activities prohibited in 42 U.S.C. §9918, or which is not in accordance with the terms of this contract;

c. is not reported to Department on CSBG Expenditure Report within sixty (60) days following the termination of this contract;

d. is not incurred during the Contract period;

e. is incurred for the purchase or permanent improvement of real property.

B. Excess Payments

Subrecipient shall refund, within fifteen (15) days after Department's request, any sum of money paid to Subrecipient by Department which Department determines (1) has resulted in an overpayment to Subrecipient or (2) has not been spent strictly in accordance with the terms of this contract. Department may offset or withhold any amounts otherwise owed to Subrecipient under this contract against any amount owed by Subrecipient to Department arising under this contract.

C. Limits of Liability

Notwithstanding any other provision of this contract, the total of all payments and other obligations incurred by Department under this contract shall not exceed the sum of $150,000.00

SECTION 5. METHOD OF PAYMENT/CASH BALANCES

A. Each month Subrecipient may request an advance payment by submitting to Department at its offices in Travis County, Texas, no later than the twentieth (20th) day of the month prior to the month for which payment is sought, a properly completed CSBG Expenditure report for an amount not to exceed Subrecipient's actual cash needs for the month for which such advance is sought.

B. Subrecipient's requests for advances shall be limited to the minimum amounts needed for the effective performance of this contract, and shall be timed as closely as possible with Subrecipient's actual immediate cash requirements. Subrecipient shall establish procedures to minimize the time elapsing between the transfer of funds from Department to Subrecipient and the disbursal of such funds by Subrecipient.

C. Department may use a cost reimbursement method of payment if (1) Department determines that Subrecipient has maintained cash balances in excess of need, (2) Department identifies any deficiency in the cash controls or financial management system used by Subrecipient, or (3) Subrecipient fails to comply with the reporting requirements of Section 12.

D. All funds paid to Subrecipient pursuant to this contract are paid in trust for the exclusive benefit of the low-income population of Subrecipient's service area and for the payment of allowable administrative expenses.

SECTION 6. COST PRINCIPLES AND ADMINISTRATIVE REQUIREMENTS

A. Except as expressly modified by law or the terms of this contract, Subrecipient shall comply with the cost principles and uniform administrative requirements set forth in the Uniform Grant Management Standards, 1 T.A.C. §5.141 et seq. (herein "Uniform Grant Management Standards"). All references therein to "local government" shall be construed to mean Subrecipient.

B. None of the costs described in Attachment C of OMB Circular No. A-87, as modified by the Uniform Grant Management Standards, shall be allowable unless Subrecipient has obtained Department's prior written approval to incur such cost.

C. Use of Alcoholic Beverages. None of the funds provided under this contract shall be used for the payment of salaries to any employee who uses alcoholic beverages while on active duty. No funds provided under this contract for travel expenses shall be used for the purchase of alcoholic beverages.

SECTION 7. TERMINATION AND SUSPENSION

A. Department may terminate this contract, in whole or in part, at any time Department determines that there is good cause for termination, including but not limited to Subrecipient's failure to comply with any term of this contract. Department shall notify Subrecipient in writing at least 30 days before the date of termination.

B. Department shall not be liable for any costs incurred by Subrecipient after termination of this contract. Notwithstanding the suspension or early termination of this contract, Subrecipient shall not be relieved of any liability for any damages due to Department by virtue of any breach of this contract by Subrecipient. Department may withhold any payment otherwise due to Subrecipient until such time as the exact amount of damages owed to Department by Subrecipient is determined and paid.

SECTION 8. CHANGES AND AMENDMENTS

A. Any change in the terms of this contract required by a change in state or federal law or regulation is automatically incorporated herein effective on the date designated by such law or regulations.

B. Except as otherwise specifically provided herein, any change in the terms of this contract shall be made by an amendment in writing and signed by both parties to this contract.

SECTION 9. NON-BINDING GUIDANCE

Department may issue non-binding guidance to explain the rules and provide directions on terms of this contract. Such non-binding guidance shall not alter the terms of this contract so as to relieve Department of any obligation of reimbursement of an allowable cost incurred by Subrecipient prior to the effective date of the non-binding guidance. All non-binding guidance issued by the Department, whether before or after the date of this contract is executed, shall govern the performance of this contract until specifically rescinded by Department. Durable program rules will become incorporated into the Texas Administrative Code, Title 10, Part 1, Chapter 5, Subchapter A.

SECTION 10. TECHNICAL ASSISTANCE AND MONITORING

Department or its designee may conduct periodic on-site monitoring and evaluation of the efficiency, economy, and effectiveness of Subrecipient's performance of this contract. Department will advise Subrecipient in writing of any deficiencies noted during such monitoring. Department will provide technical assistance to Subrecipient and will require or suggest changes in Subrecipient's program implementation or in Subrecipient's accounting, personnel, procurement, and management procedures in order to correct any deficiencies noted. Department will conduct follow-up visits to review and assess the efforts Subrecipient has made to correct previously noted deficiencies. Department may place Subrecipient on a reimbursement method of payment, terminate this contract, or invoke other remedies in the event monitoring or other reliable sources reveal material deficiencies in Subrecipient's performance or if Subrecipient fails to correct any deficiency within the time allowed by federal law.

SECTION 11. RETENTION AND ACCESSIBILITY OF RECORDS

A. Subrecipient shall maintain fiscal records and supporting documentation for all expenditures made under this contract in accordance with the Uniform Grant Management Standards, Subpart A, §_.42.

B. All information collected, assembled, or maintained by Subrecipient shall be made available to the public during normal business hours in compliance with the Texas Public Information Act, Texas Government Code, Chapter 552.

C. Subrecipient shall give HHS, the Comptroller General of the United States, and Department, or their duly authorized representatives, access to and the right to examine and copy, on or off the premises of Subrecipient, all records pertaining to this contract. Subrecipient agrees to maintain such records in an accessible location and to cooperate with any examination conducted pursuant to this Subsection. Subrecipient shall include the requirements of this Subsection in all subcontracts.

SECTION 12. REPORTING REQUIREMENTS

A. Subrecipient shall submit to Department a CSBG Performance Report amd Expenditure Report. The report must be received by Department according to the schedule set forth in Section 5(A). Reimbursements will not be processed without the submission of programmatic data.

B. Upon notification by the Department that all funding has been drawn down from funds available under the prior year's allocation, Subrecipient shall submit to Department, no later than 60 days from the date of notification, a final CSBG Expenditure Report containing a full accounting of all funds expended under that allocation.

C. Subrecipient shall annually submit to Department, no later than the last day of February, a cumulative inventory of all equipment acquired, in whole or in part, with funds received under this or previous CSBG contracts.

D. If Subrecipient fails to submit within 45 days of its due date, any report or response required by this contract, including responses to monitoring reports, Department may, in its sole discretion, initiate termination proceedings. If Subrecipient receives CSBG funds from Department over two or more contract periods, termination proceedings may be initiated on this contract for Subrecipient's failure to submit a report, including an audit report, past due from a prior contract.

SECTION 13. PROPERTY REQUIREMENTS

A. Subrecipient may not use funds provided under this contract to purchase personal property with a unit acquisition cost (the net invoice unit price of an item of equipment) of more than $5,000 unless Subrecipient has received the prior written approval of Department for such purchase.

B. Upon the termination or non-renewal of this contract, Department may transfer title to any such equipment having a unit acquisition cost (the net invoice unit price of an item of equipment) of $5,000 or more to itself or to any other entity receiving funds under the CSBG Act.

SECTION 14. INDEPENDENT SUBRECIPIENT

Subrecipient is an independent subrecipient. Subrecipient agrees to hold Department harmless and, to the extent allowed by law, indemnify it against any disallowed costs or other claims which may be asserted by any third party in connection with Subrecipient's performance of this contract.

SECTION 15. SUBCONTRACTS

A. Subrecipient may not subcontract the primary performance of this contract and only may enter into contractual agreements for consulting and other professional services including, but not limited to, auditors and attorneys, if Subrecipient has received Department's prior written approval. Subrecipient may subcontract for the delivery of client assistance without obtaining Department's prior approval. Any subcontract for the delivery of client assistance will be subject to monitoring by the Department as per Section 10.

B. In no event shall any provision of this Section 15, specifically the requirement that Subrecipient obtain Department's prior written approval of a subsubrecipient, be construed as relieving Subrecipient of the responsibility for ensuring that the performances rendered under all subcontracts are rendered so as to comply will all of the terms of this contract, as if such performances rendered were rendered by Subrecipient. Department's approval under Section 15 does not constitute adoption, ratification, or acceptance of Subrecipient's or subsubrecipient's performance hereunder. Department maintains the right to insist upon Subrecipient's full compliance with the terms of this contract, and by the act of approval under Section 15, Department does not waive any right of action which may exist or which may subsequently accrue to Department under this contract.

SECTION 16. CONFLICT OF INTEREST/NEPOTISM

A. Subrecipient covenants that neither it nor any member of its governing body has or shall acquire any interest, direct or indirect, which would conflict in any manner with the performance of this contract. No person having such interest shall be employed by Subrecipient or appointed as a member of Subrecipient's governing body. No member of Subrecipient's governing body may be employed by Subrecipient during his service on the board or for twelve months thereafter.

B. Subrecipient agrees that it will ensure that no officer, employee, or member of Subrecipient's governing body shall vote for or confirm the employment of any person related within the second degree by affinity or third degree by consanguinity to any member of the governing body or to any other officer or employee authorized to employ or supervise such person. A definition of such prohibited relationship may be found in §573.021 et seq. of the Texas Government Code. This prohibition shall not prohibit the continued employment of a person who has been continuously employed for a period of one year prior to the election or appointment of the officer, employee, or governing body member related to such person in the prohibited degree.

C. No employee, officer, or agent of Subrecipient shall participate in the selection, award, or administration of a subcontract supported by funds provided hereunder if a conflict of interest, real or apparent, would be involved. Such a conflict of interest would arise when: 1) the employee, officer, or agent; 2) any member of his or her immediate family; 3) his or her partner; or 4) any organization which employs or is about to employ, any of the above, has a financial or other interest in the firm or person selected to perform the subcontract.

D. Subrecipient's employees, officers, and agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from subcontractors, or potential subconctractors.

SECTION 17. COMPLIANCE WITH LAWS

A. Subrecipient shall comply with the CSBG Act and with the rules and regulations promulgated there under, and with all federal, state, and local laws and regulations applicable to the performance of this contract, including 10 TAC, Part I, Ch 5, Subch. A, Section 5.1-5.15.

B. Under Section 2261.053, Government Code, Hidalgo County Community Services Agencuy certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

SECTION 18. PROGRAM INCOME

Subrecipient shall account for and expend program income derived from activities financed in whole or in part with funds provided under this contract in accordance with the Uniform Grant Management Standards, Subpart A, §_.25.

SECTION 19. NON-DISCRIMINATION AND EQUAL OPPORTUNITY

No person shall on the ground of race, color, religion, sex, national origin, age, disability, political affiliation or belief be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in the administration of or in connection with any program or activity funded in whole or in part with funds made available under this contract.

SECTION 20. LEGAL AUTHORITY

A. Subrecipient represents that it possesses the legal authority to enter into this contract and to perform the services Subrecipient has obligated itself to perform hereunder.

B. The person signing this contract on behalf of Subrecipient hereby warrants that he/she has been duly authorized by Contract to execute this contract on behalf of Subrecipient and to bind Subrecipient to the terms herein set forth.

C. Department shall have the right to terminate this contract if there is a dispute as to the legal authority of either Subrecipient or the person signing this contract to enter into this contract or to render performances hereunder. Subrecipient is liable to Department for any money it has received from Department for performance of the provisions of this contract, if Department has terminated this contract for reasons enumerated in this Section 20.

SECTION 21. AUDIT

A. For any fiscal year included within the Grant Period during which the Subrecipient expended $500,000 or more in total federal or $500,000 in total state financial assistance, Subrecipient shall arrange for the performance of an annual audit of the funds received and performances rendered under this grant agreement. The audit shall be made in accordance with the Single Audit Act Amendments of 1996, 31 U.S.C. ch. 75; and OMB Circular No. 133 (as revised on 6/30/1997), "Audits of States, Local Governments, and Non-Profit Organizations." The term "federal financial assistance" includes awards of federal financial assistance received directly from federal agencies, or indirectly through units of state and local government.

B. Notwithstanding Subsection A, of this Section 21, Subrecipients expending less than $500,000 in Federal financial assistance or $500,000 in State financial assistance, may arrange for the performance of an annual financial statement audit. Such audit should include verification of all expenditures by budget category, in accordance with final Expenditure report submitted to close out allocation year.

C. Subrecipient shall submit two (2) copies of the report of such audit to Department within thirty (30) days after the completion of the audit, but no later than nine (9) months after the end of the audit period. Subrecipient shall insure that the audit report is made available for public inspection within thirty (30) days after completion of the audit. Audits performed under this Section 21 are subject to review and resolution by Department or its authorized representative.

D. For any fiscal year ending within or immediately after the Grant Period, Subrecipient must submit an "Audit Certification Form" (available from the Department) within sixty (60) days after the Subrecipients fiscal year end.

E. Department reserves the right to conduct additional audits of the funds received and performances rendered under this grant agreement. Subrecipient agrees to permit Department or its authorized representative to audit Subrecipient's records and to obtain any documents, materials, or information necessary to facilitate such audit.

F. Subrecipient shall be liable to Department for any costs disallowed pursuant to audit(s) of funds received under this agreement. Subrecipient shall reimburse such disallowed costs with funds that are not provided under this contract.

G. Subrecipient shall procure audit services through an open, competitive process at least once every four years. The auditor shall retain working papers and reports for a minimum of three years after the date of issuance of the auditor's report to the auditee. Audit working papers shall be made available upon request to Department at the completion of the audit, as a part of a quality review, to resolve audit findings, or to carry out oversight responsibilities consistent with the purposes of this part. Access to working papers includes the right to obtain copies of working papers, as is reasonable and necessary.

SECTION 22. TRAVEL

Allowable travel costs under this contract shall be determined in accordance with OMB Circulars A-122 or A-87, as applicable, any Department directives on travel, and with Subrecipient's written travel policy. Subrecipient's written travel policy shall delineate the rates which Subrecipient shall use in computing the travel and per diem expenses of its board members and employees. Prior to incurring any costs for travel, Subrecipient must provide Department with a copy of its travel policy and evidence that such policy has been approved by Subrecipient's governing body. If Subrecipient has no established written travel policy, the travel regulations applicable to Department employees shall apply.

SECTION 23. POLITICAL ACTIVITY PROHIBITED

A. None of the funds provided under this contract shall be used for influencing the outcome of any election, or the passage or defeat of any legislative measure. This prohibition shall not be construed to prevent any official or employee of Subrecipient from furnishing to any member of its governing body upon request, or to any other local or state official or employee or to any citizen, information in the hands of the employee or official not considered under law to be confidential information. Any action taken against an employee or official for supplying such information shall subject the person initiating the action to immediate dismissal from employment.

B. No funds provided under this contract may be used directly or indirectly to hire employees or in any other way fund or support candidates for the legislative, executive, or judicial branches of government of Subrecipient, the State of Texas, or the government of the United States.

C. None of the funds under this contract shall be expended in payment of the salary for full-time employment of any employee who is also the paid lobbyist of any individual, firm, association, or corporation. None of the funds provided by this contract shall be expended in payment of the partial salary of a part-time employee who is required to register as a lobbyist by virtue of the employee's activities for compensation by or on behalf of industry, a profession or association related to operation of Subrecipient. A part-time employee may serve as a lobbyist on behalf of industry, a profession, or association so long as such entity is not related to Subrecipient. Except as authorized by law, no contract funds shall be expended in payment of membership dues to an organization on behalf of Subrecipient or an employee of Subrecipient if the organization pays all or part of the salary of a person required to register under Chapter 305, Government Code.

D. None of the funds provided under this contract shall be paid to any official or employee who violates any of the provisions of this section.

E. Programs assisted with CSBG funds shall not be carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel, in a manner supporting or resulting in the identification of such programs with-

1. any partisan or non partisan political activity or any political activity associated with a candidate, or contending faction or group, in an election for public or party office;

2. any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election; or

3. any voter registration activity.

SECTION 24. SECTARIAN INVOLVEMENT PROHIBITED

No funds received by Subrecipient hereunder shall be used, either directly or indirectly, to support any religious or anti-religious activity.

SECTION 25. COPYRIGHT

Subrecipient may copyright materials developed in the performance of this contract or with funds expended under this contract. Department and HHS shall each have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the copyrighted work for government purposes.

SECTION 26. PREVENTION OF FRAUD AND ABUSE

A. Subrecipient shall establish, maintain, and utilize internal controls sufficient to provide for the proper and effective management of all program and fiscal activities funded under this contract. Subrecipient's internal controls and all transactions and other significant events are to be clearly documented and the documentation shall be readily available for monitoring by Department.

B. Subrecipient shall give Department complete access to all of its records, employees, and agents for the purpose of monitoring or investigating the CSBG program. Subrecipient shall fully cooperate with Department's efforts to detect, investigate, and prevent waste, fraud, and abuse.

C. Subrecipient shall not discriminate against any employee or other person who reports a violation of the terms of this contract or of any law or regulation to Department or to any appropriate law enforcement authority if the report is made in good faith.

SECTION 27. MAINTENANCE OF EFFORT

Funds provided to Subrecipient under this contract may not be substituted for funds or resources from any other source nor in any way serve to reduce the funds or resources which would have been available to or provided through Subrecipient had this contract never been executed.

SECTION 28. NO WAIVER

Any right or remedy given to Department by this contract shall not preclude the existence of any other right or remedy, nor shall any action taken in the exercise of any right or remedy be deemed a waiver of any other right or remedy. The failure of Department to exercise any right or remedy on any occasion shall not constitute a waiver of Department's right to exercise that or any other right or remedy at a later time.

SECTION 29. SEVERABILITY

If any portion of this contract is held to be invalid by a court or administrative tribunal of competent jurisdiction, the remainder shall remain valid and binding.

SECTION 30. PRIOR ORAL AND WRITTEN AGREEMENTS

All oral and written agreements between the parties relating to the subject matter of this contract have been reduced to writing and are contained in this document and the exhibits attached hereto.

SECTION 31. SPECIAL CONDITIONS

The Pro-Children Act of 1994, [20 U.S.C. Sec. 6081 et seq.] requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18 if the services are funded by Federal programs either directly or through States or local governments by Federal grant, contract, loan or loan guarantee.

SECTION 32. EXCLUDED PARTIES LIST SYSTEM

By signing this contract, Subrecipient certifies that neither it nor its current principle parties are included in the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA). Subrecipient also certifies that it will not award any funds provided by this contract to any party that is debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549. Subrecipient agrees that prior to entering into any agreement with a potential subcontractor that the verification process to comply with this requirement will be accomplished by checking the Excluded Parties List System @ http://www.epls.gov/ or by collecting a certification from the potential subcontractor.

SECTION 33. EXHIBITS

The exhibits identified below are hereby made a part of this contract:

A. Exhibit A, Performance Statement

B. Exhibit B, Budget

Effective Date: August 01, 2008

Hidalgo County Community Services Agency

By:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

By:

This contract is effective when signed by the Texas Department of Housing and Community Affairs Executive Director or his authorized designee.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

EXHIBIT A
COMMUNITY SERVICES BLOCK GRANT PROGRAM
Performance Statement

Subrecipient: Hidalgo County Community Services Agency

Contract No.: 61080000257 Contract Term: 08/01/2008 - 12/31/2008

Service Area: Hidalgo County

ACTIVITIES DESCRIPTION

The Hidalgo County Community Services Agency will provide emergency assistance and services to low-income residents affected by Hurricane/Tropical Storm Dolly. Assistance and services will include food, household cleaning supplies and products, insect repellents, clothing, emergency shelter, replacement pharmaceuticals and medication, medical supplies, essential appliances, bedding, and other miscellaneous emergency items.

Maintain written documentation verifying residency in affected area(s) and on all services/assistance rendered in order to complete performance and expenditure reports and to respond to any desk or on-site monitoring by the Department.

Submit an Expenditure and a Performance Report to the Department no later than the 20th following every month in the contract period documenting all allowable expenditures and performance. A Final Expenditure report shall be provided to the Department by no later than 60 days after the termination date of the contract.

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

EXHIBIT B
COMMUNITY SERVICES BLOCK GRANT PROGRAM
Budget

Subrecipient: Hidalgo County Community Services Agency

Contract No.: 61080000257

Contract Term: 08/01/2008 - 12/31/2008

Contract Type: Original

	BUDGET CATEGORIES	AMOUNT
1	PERSONNEL	$ 0.00
2	FRINGE BENEFITS	$ 0.00
3	TRAVEL	$ 3,000.00
4	EQUIPMENT	$ 0.00
5	SUPPLIES	$ 0.00
6	CONTRACTUAL	$ 0.00
7	OTHER	$ 147,000.00
8	INDIRECT COSTS	$ 0.00
	TOTALS	$ 150,000.00

Department's prior written approval for purchase or lease of equipment with acquisition costs of $5,000 or over is required. Approval of this budget does not constitute prior approval.

AI-11335 **11.A.**

Home Rehab contracts
CC REGULAR

Date: 09/30/2008
Submitted By: Estella Webber, URBAN COUNTY
Department: URBAN COUNTY
Agenda Area: Urban County

Information

CAPTION

The Urban County Program is requesting the award of bids and approval of contracts for the demolition and reconstruction of the following:
1. (1) Unit in the City of Hidalgo in the amount of $41,000.00 to GMH Construction.
2. (1) Unit in the Countywide area in the amount of $38,740.00 to G & G Contractors.

BACKGROUND

The following families were approved to receive assistance under the HOME-Homeowner Occupied Housing Rehabilitation Program by the County Commissioners' Court on July 1, 2008 & August 5, 2008. Bid was received and opened at the Hidalgo County Purchasing Department on Wednesday, September 17, 2008.

(See Attachments)

Fiscal Impact

FISCAL YEAR: **ACCT. #:** Urban Co. funds
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Urban County funds will be used.

Attachments

Link: bid tab - rehab

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/24/2008 08:01 AM	APRV
2	Veronica Lopez	Veronica Lopez	09/24/2008 10:13 AM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:13 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Estella Webber — Started On: 09/23/2008 04:34 PM

Final Approval Date: 09/26/2008

HIDALGO COUNTY PURCHASING DEPARTMENT
BID TABULATION SHEET

DEPARTMENT NAME: COUNTY OF HIDALGO URBAN COUNTY PROGRAM

BID OPENING DATE: SEPTEMBER 17, 2008	**BID OPENING TIME: 9:30 A.M.**

DESCRIPTION OF BID: DEMOLITION AND RECONSTRUCTION OF TWO (2) UNITS IN THE COUNTY WIDE AREA AND ONE (1) UNIT IN THE CITY OF HIDALGO.

BID NO.	BIDDER/COMPANY NAME	Units	TOTAL BASE CHARGE	Bid Bond/Cashier's Check Included
1	G & G Contractors	E. Dougherty – Hidalgo	46,800.00	CC 2500.00
		N. Hinojosa	38,740.00	CC 2000.00
		M. Colmenares	39,740.00	CC2000.00
2	Gustavo De Leon GMH Construction	E. Dougherty – Hidalgo	41,000.00	CC 2100.00
3	Hugo De Leon De Leon Construction	N. Hinojosa	47,000.00	CC 2350.00

HIDALGO COUNTY PURCHASING DEPARTMENT
BID TABULATION SHEET

DEPARTMENT NAME: COUNTY OF HIDALGO URBAN COUNTY PROGRAM

BID OPENING DATE: SEPTEMBER 17, 2008 | **BID OPENING TIME: 9:30 A.M.**

DESCRIPTION OF BID: DEMOLITION AND RECONSTRUCTION OF TWO (2) UNITS IN THE COUNTY WIDE AREA AND ONE (1) UNIT IN THE CITY OF HIDALGO.

BID NO.	BIDDER/COMPANY NAME	Units	TOTAL BASE CHARGE	Bid Bond/Cashier's Check Included
4	J.D. Villarreal Construction	M. Colmenares	49,800.00	BB 3000.00
5	Rolando's General Construction	E. Dougherty	50,000.00	CC 2650.00
		N. Hinojosa	40,000.00	CC 2100.00
		M. Colmenares	50,000.00	CC 2650.00
6				

AI-11337 **11.B.**

Geotechnical Svcs contract - H.Rehab
CC REGULAR

Date: 09/30/2008
Submitted By: Estella Webber, URBAN COUNTY
Department: URBAN COUNTY
Agenda Area: Urban County

Information

CAPTION

The Urban County Program is requesting approval of the final negotiated Professional Engineering Services contract with Millennium Engineers Group, Inc. in the amount of $1,800.50 utilizing Year 20 (2007) Urban County Program Owner-Occupied Rehabilitation Program for Hidalgo County Precinct 4, as previously authorized for negotiations by Commissioners' Court on 09-16-08.

BACKGROUND

Urban County Program - HOME Division has negotiated a Professional Engineering Service contract with Millennium Engineers Group, Inc., in the amount of $1,800.50 for Urban County Program Year 20 (2007) Owner-Occupied Rehabilitation project.

(See attached scope of services).

Fiscal Impact

FISCAL YEAR: **ACCT. #:** Urban Co. funds
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Urban Co. funds will be used.

Attachments

Link: Contract- rehab

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/24/2008 08:02 AM	APRV
2	Veronica Lopez	Veronica Lopez	09/24/2008 01:11 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:17 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Estella Webber — Started On: 09/23/2008 05:07 PM

Final Approval Date: 09/26/2008

MILLENNIUM ENGINEERS GROUP, INC.

PO BOX 4569 – EDINBURG, TEXAS 78540 – TEL. 956-383-8522 – FAX 956-383-0295

September 23, 2008

Arturo Garcia
Hidalgo County - Urban County Programs
1916 Tesoro Blvd.
Pharr, Texas 78577

Subject: Proposed 10731 Hernandez Drive
Geotechnical Engineering & Testing Services
MEG Proposal No. 08-216

Dear Mr. Garcia:

Millennium Engineers Group, Inc. (MEG) is pleased to submit this proposal for the subject project to Hidalgo County - Urban County Programs (CLIENT) to offer our services in the following area(s):

- Geotechnical Engineering & Testing Services

This master contract is general in nature and will cover the services requested by the CLIENT for the subject project. This agreement will remain in effect for the duration of the subject project.

The cost of services provided for the CLIENT's project is based on the information provided by Mr. Arturo Garcia of Hidalgo County - Urban County Programs via a telephone call and a fax received on August 25, 2008. It is our understanding that the subject project is located on 10731 Hernandez Drive in Edinburg, Texas. The property legal description is D.T. Villareal Subdivision, Lot No. 14 (fourteen) located at the original town site of San Carlos, Hidalgo County, Texas. The scope of services for this project will consist of a proposed Residential Building of approximately 802 SF and having approximate dimensions of 32.75' by 24.5'. The proposal includes two 20 feet borings. Field and laboratory testing will be performed to determine the engineering properties affecting the proposed foundation recommendations. The cost of services is $1,800.50 for this proposed project. Said charges are described below;

Description	Qty	Cost	Total
Vehicle Charge	2	$ 25.00	$ 50.00
Mobilization (Drilling Truck)	1	$ 250.00	$ 250.00
Drilling (2 Person)(per feet)	40	$ 14.00	$ 560.00
Atterberg Limits	6	$ 50.00	$ 300.00
Minus 200 sieve	6	$ 40.00	$ 240.00
Molsture Content	14	$ 5.75	$ 80.50
CADD Technician	1	$ 40.00	$ 40.00
Project Management and Coordination	4	$ 60.00	$ 240.00
Administration	1	$ 40.00	$ 40.00

Our firm will invoice as the field work is completed, and at the submission of final Report.

SEP 23

You may send electronic files to meg@megengineers.com or fax at 956-383-0295. If you have any questions please contact us at our office.

Upon your authorization we will begin immediately on the services you have requested.

ACCEPTANCE

We appreciate the opportunity to submit this agreement and look forward to working with you on this project. Our professional services will be carried out in accordance with the scope of work that has been outlined.

Please return one signed copy of this master contract that provides written authorization for our firm to complete work on the services outlined herein. Our invoices are due and payable upon receipt at P. O. Box 4569, Edinburg, Texas 78540-4569.

Sincerely yours,

MILLENNIUM ENGINEERS GROUP, INC.

Raul Palma, P.E.
President

Proposed Project: Proposed 10731 Hernandez Drive
Geotechnical Engineering & Testing Services
MEG Proposal No. 08-216

CLIENT:

Hidalgo County
Urban County Programs

_____
Authorized Representative

_____
Printed Name

_____
Date

ENGINEER:

Millennium Engineers Group, Inc.

Raul Palma, P.E.
President

9/23/08
Date

Attachments: Attachment "B", Standard Contract Conditions
Proposal No. 08-216

ATTACHMENT "B"
STANDARD CONTRACT CONDITIONS

BASIC SERVICES AGREEMENT

MEG will provide Mr. Arturo Garcia from Edinburg, Hidalgo County, Texas testing services on (CLIENT'S) projects under this AGREEMENT. MEG will provide consultation and advice during the performance of services. You may request services from MEG on any project identified during the term of this AGREEMENT.

The scope of BASIC SERVICES required for MEG's project assignment(s), if any, are determined in the proposal.

MEG will charge overtime at the rate of 1.5 applicable for technicians for services performed before 7 AM and after 6 PM on Monday through Friday, after 8 continuous hours on the Client's project and on Saturday, Sunday and holidays.

Hours billed will be from our office at 705 Dawson Drive, Edinburg, Texas, port to port. Fractions of hours will be billed as whole hours. Technician hours will be billed a minimum of 2 hours.

Laboratory testing performed after normal work hours of 7 AM to 6 PM on Monday through Friday will be billed the test rate plus applicable overtime hourly charges. Project management will be billed for coordination and management of project and personnel. Minimum billing at the rate of .25 hour per report.

ADDITIONAL SERVICES

If authorized in writing by (CLIENT), MEG will furnish or obtain from others additional services of the following types, which are not considered normal or customary Basic Services under this AGREEMENT. These Additional Services will be paid for by the (CLIENT) and will require negotiation.

A. Appearances before regulatory agencies or other public meetings other than those provided as a Basic Service.

B. Special investigations.

C. Revision of project deliverables requested by (CLIENT) after (CLIENT"S) written approval of same unless such revision is required for the correction of MEG's work products containing errors/omissions or other faults.

STATE OF TEXAS §
§
COUNTY OF HIDALGO §

6007-37-6485-5225-P6043

Part I - Professional Services Agreement

This Agreement, entered into this 30th day of September, 2008 by and between Hidalgo County Urban County Program and Millenium Engineers Group, Inc. Edinburg, TX, duly authorized Engineer, herein acting by Raul Palma, P.E. (hereinafter called the "Engineer").

WITNESSETH THAT:

WHEREAS, Hidalgo County has received HOME funds from the U.S. Dept. of Housing and Urban Development to be used by Urban County Participants. It is understood and agreed that the Hidalgo County - Urban County Program obligation under this Agreement is contingent upon the actual receipt of adequate federal funds to meet the liabilities under this Agreement; and

WHEREAS, the Hidalgo County - Urban County Program is interested in obtaining Engineering Services; and

WHEREAS, the Engineer, duly licensed and registered to practice engineering in the State of Texas, has the professional abilities to undertake the study, evaluation, analysis and engineering recommendations in a manner which shall provide the necessary public service while preserving and enhancing to the greatest degree possible the natural and proposed environment in the PROJECT area; and

WHEREAS, the Hidalgo County - Urban County Program desires to engage the Engineer to render certain services in connection therewith;

NOW, THEREFORE, the participants do mutually agree as follows:

SECTION I
EMPLOYMENT OF THE ENGINEER

The Hidalgo County - Urban County Program agrees to employ the Engineer to furnish and provide the engineering services as stated in the following sections and upon receipt of such satisfactory services, the Hidalgo County - Urban County Program agrees to pay the Engineer as stated in the sections to follow.

SECTION II
BASIC SERVICES OF THE ENGINEER

The Engineer shall perform the following Basic Services in connection with the proposed Geotechnical testing. Account(s) 6007-37-6485-5225-P6043. *(See Exhibit A)*

2.1 Preliminary Phase

a. As may be required, comply and receive the Hidalgo County - Urban County Program approval on all work.

b. Prepare preliminary engineering plans on the Project in sufficient detail to indicate clearly the problems involved and solutions recommended with the cost estimates.

c. Obtain the Hidalgo County - Urban County Program's approval of the work of this Preliminary Phase before proceeding with the next phase.

2.2 Design Phase

a. Advise the Hidalgo County - Urban County Program of any soil investigations or tests which, in the opinion of the Engineer, may be required for the proper execution of the Project.

b. Provide all field information and surveys required for the design of the Project.

SECTION III
ADDITIONAL SERVICES OF THE ENGINEER

If authorized in writing by the Hidalgo County - Urban County Program, the Engineer will furnish or obtain from others Additional Services of the following types which are not considered normal or customary basic services; these will be paid for by
the Hidalgo County - Urban County Program as indicated in Section VI.

3.1 Detailed mill, shop and/or laboratory inspection of materials or equipment.

3.2 Major revision of Contract drawings as distinguished from modifications due to change orders, modifications to reduce the cost of the project or modifications requested to meet federal, state, or local regulations.

SECTION IV
REIMBURSABLE EXPENSES

4.1 Travel and subsistence required for the Engineer and authorized by the Hidalgo County - Urban County Program to points other than within the County and Project site.

4.2 Additional copies of reports and specifications over six (6) copies and additional prints of drawings over six (6) copies.

SECTION V
THE HIDALGO COUNTY - URBAN COUNTY PROGRAM'S RESPONSIBILITIES

The Hidalgo County - Urban County Program will:

5.1 Provide full information as to requirements for the Project.

5.2 Assist the Engineer by providing all available information pertinent to the Project including reports and any other data relative to design and construction of the Project.

5.3 Furnish the Engineer services or data as required such as appropriate professional interpretations of all of the foregoing; property, boundary, easement, right-of-way, zoning, and deed restrictions; all of which the Engineer may rely upon in performing his services under this agreement.

5.4 Guarantee access to and make all provisions for the Engineer to enter upon public and private property as required for the Engineer to perform his services under this Agreement.

5.5 Examine all studies, reports, sketches, estimates, specifications, drawings, proposals, and other documents presented by the Engineer.

5.6 Pay for all costs incident to advertising and obtaining bids or proposals from Contractors.

5.7 Provide such legal and accounting services required to discharge the Hidalgo County - Urban County Program's responsibility under the terms of this Agreement and any Agreement with any governmental agency as may be required for the project, and such auditing services as the Hidalgo County - Urban County Program may require to ascertain how or for what the purpose any Contractor has used the monies paid to him under the construction contract.

5.8 Give prompt written notice to the Engineer whenever the Hidalgo County - Urban County Program observes or otherwise becomes aware of any defect in the Project.

SECTION VI
PAYMENTS TO THE ENGINEER

The Hidalgo County - Urban County Program agrees to pay the Engineer for completed services as identified by the Hidalgo County - Urban County Program:

6.1 The Engineer shall be paid a total fixed amount of $\$ \underline{1,800.50}$ for services rendered under this contract. Payment shall be based on request for reimbursements with documentation requested by the Hidalgo County - Urban County Program. The Engineer's fee shall be due and payable as outlined in Sections 6.2, 6.3, and 6.4 as follows.

SECTION VII
OWNERSHIP OF DOCUMENTS

Original documents, plans, designs and survey notes developed in connection with services performed hereunder belong to, and remain the property of the Hidalgo County - Urban County Program, in consideration of which it is mutually agreed that the Hidalgo County - Urban County Program will use them solely in connection with the Project and as base material for possible future projects.

SECTION VIII
TERMINATION

The Hidalgo County - Urban County Program may terminate this Agreement at any time by a 30-day notice in writing to the Engineer. Upon receipt of such notice, the Engineer shall, unless the notice directs otherwise immediately discontinue all services in connection with the performance of this Agreement and shall proceed to cancel promptly all existing orders and contracts insofar as such orders or contracts are chargeable to this Agreement. As soon as practical after receipt of notice of termination, the Engineer shall submit a statement showing in detail the actual services that were performed under this Agreement to date of termination, the date such services were performed and the length of time spent by each person or Hidalgo County - Urban County Program engaged in performing such services on each day,

The Hidalgo County - Urban County Program shall pay the Engineer a sum of money equal to the reasonable value of the service rendered by the Engineer to the Hidalgo County - Urban County Program in connection with the services performed under this Contract, less payments previously made by the Hidalgo County - Urban County Program to Engineer on work performed and expenses incurred by Engineer under the provisions of this Contract.
Notwithstanding the above, the Engineer shall not be relieved of liability to the Hidalgo County - Urban County Program for damages sustained by the Hidalgo County - Urban County Program arising from Engineer's negligent acts, errors or omissions related to Engineer's obligations
created under this Agreement.

SECTION IX
COUNTY AND CITY OFFICIALS

Engineer agrees that no County or City official or Hidalgo County - Urban County Program employee shall be personally liable for any of the obligation created under this Agreement, or for any matter which may arise out of the Project, or any activities related thereto and hereby holds the Hidalgo County - Urban County Program, its political bodies and its employees harmless from and indemnifies them from any liability from any matter arising from Engineer's negligent acts, errors or omissions related to Engineer's obligations created under this Agreement.

SECTION X
SUCCESSORS AND ASSIGNS

Hidalgo County - Urban County Program and Engineer each binds themselves, their partners, successors,

executors, administrators, and assigns to the other Hidalgo County - Urban County Program of Agreement in respect to all covenants of this Agreement. Neither the Hidalgo County - Urban County Program nor Engineer shall assign, sublet, or transfer interest in this Agreement without the written consent of the other.

SECTION XI
TIME OF PERFORMANCE

The Engineer contracts and agrees to commence work within ten (10) days from the date of written authorization to proceed and will complete the preparation of the preliminary phase and estimates by 90 days and will proceed upon authorization with final drawings, specifications, and contracts documents and complete same within the earliest practical time from such notice to proceed.

SECTION XII
VENUE

Venue and jurisdiction of any suit, right or cause of action arising under or in connection with this Contract shall lie exclusively in Hidalgo County, Texas.

SECTION XIII
CHANGES

The Hidalgo County - Urban County Program may, from time to time, request changes in the Scope of Services of the Engineer as may be mutually agreed to be performed hereunder. Such changes, including any increase or decrease in the amount of the Engineer's compensation, which are mutually agreed upon by and between the Hidalgo County - Urban County Program and the Engineer shall be incorporated in written amendments to the Contract.

SECTION XIV
COMPLIANCE WITH LOCAL LAWS

The Engineer shall comply with all applicable laws, ordinances, and codes of the State and local governments, and the Engineer shall save the Hidalgo County - Urban County Program harmless with respect to any damages arising from any Engineer negligence done in performing any of the work embraced by this Contract.

SECTION XV
ASSIGNABILITY

The Engineer shall not assign any interest in this Contract, and shall not transfer any interest in the same (whether by assignment or novation) without the prior written consent of the Hidalgo County - Urban County Program thereof; provided however, that claims for money due or to become due to the Engineer from the Hidalgo County - Urban County Program under this Contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Hidalgo County - Urban County Program.

SECTION XVI
GENERAL

16.1 Audit. The Hidalgo County - Urban County Program and/or any of its duly authorized representatives shall have access to any books, documents, papers, and records of the Engineer which are directly pertinent to this project for the purpose of making the audit, examination, excerpts, and transcriptions.

16.2 The Engineer agrees to compliance with the following Executive orders, Titles and Program Regulations, including any additional requirements that may be set forth by the Hidalgo County - Urban County Program.

a. Title VI of the Civil Rights Act - requires that no one may be denied access to benefits from projects which receive federal assistance.

b. Section 109 of the Housing and Community Development Act of 1974 - Nondiscrimination related to benefits from projects funded specifically under Title I of the Act.

c. Section 3 of the HUD Act of 1968 - requires that maximum effort be made to provide employment, training, and business opportunities to low income families and/or residents of the project area.

d. The Engineer shall give the United States Department of Housing and Urban Development, the Inspector General, the Comptroller General of the United States, the Auditor of the State of Texas, access to and the right to examine all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by Engineer pertaining to this Agreement. Such rights to access shall continue as long as the records are retained by Engineer. Engineer agrees to maintain such records in an accessible location for a period of three (3) years.

e. Executive Order 11246 (paragraph a-c for contracts under $10,000; paragraphs a-g for contracts over $10,000) - Equal Employment Opportunity.

Executive Order 11246. Executive Order 11246 and the regulations issued pursuant thereto (24 CFR Part 130) which provides that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in all phases of employment during the performance of federal or federally assisted contracts. Such consultants or subcontractors shall take affirmative action to ensure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination rates of pay or other forms of compensation and selection for training and apprenticeship.

Equal Employment Opportunity for Activities and Contracts not Subject to Executive Order 11246, as amended. In carrying out the program, the Consultant shall not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Engineer shall take affirmative action to ensure that applicants for employment are employed and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not limited to the following: Employment, upgrading, demotion, or transfer; recruitment or other forms of compensation; and selection for training, including apprenticeship. The Engineer shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Government setting forth the provisions of this paragraph in all of its contracts for program work and will require all of its

consultants for such work to incorporate such requirements in all subcontracts for program.

16.3 Interest of Certain Federal Officials: No member of or Delegate to the Congress of the United States and no Resident Commissioner, shall be admitted to any share or part of this Agreement or to any benefit to arise from the same.

16.4 Interest of Members, Officers, or Employees of Public Body, Member of Local Governing Body, or other Public Officials: No member, officer, or employee of the County or City, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his tenure for one year thereafter, shall have any interest, direct or indirect, to be performed in connection with the program assisted under the Agreement. The Engineer shall incorporate or cause to be incorporated in all such interest pursuant to the purpose of this Section.

SECTION XVII
INSURANCE

The Engineer shall obtain and keep in force during the term of its engagement on the Project, the insurance as follows:

17.1 A comprehensive automobile liability policy covering liability exposure to bodily injury and property damages. The Engineer shall furnish Hidalgo County - Urban County Program Certificates of Insurance showing the comprehensive automobile liability insurance policies to be in effect, commencing when Engineers commence operations under this Agreement, in the sum of $300,000 for bodily injury and $100,000 for property damages.

17.2 Uninsured/Underinsured motorist coverage in an amount equal to the bodily injury limits set forth immediately above;

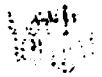
17.3 A Five Hundred Thousand Dollar ($500,000.00) Comprehensive General Liability Insurance Policy providing additional coverage to all underlying liabilities of County consistent with potential exposure of County under the Texas Tort Claims Act;

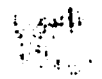
17.4 Workers Compensation Insurance in amount established by Texas law, under the bidder is specifically exempted from the Texas Worker's Compensation Act, Texas Labor Code Chapter 401, et. seq.

17.5 All insurance policies must be written by an insurance company or companies acceptable to the Hidalgo County - Urban County Program.

SECTION XVIII
WARRANTY

18.1 Engineer represents and warrants to Owner all services rendered to Owner under this Agreement shall, at a minimum, comply with the Texas Engineering Practices Act (Tex. Civ. St. Ann., Article 3271) and rules of the Texas Board of Professional Engineers.







SECTION XIX
EFFECTIVE DATE

The effective date of this contract shall be September 30, 2008. Such date being the date the County Commissioners' Court approved entering into contract with Engineer.

This Agreement is hereby approved this _____ day of _____, 20_____.

Signature: _____
Raul Palma, P.E. (Engineer)

Firm Name: Millennium Engineer's Group

Address: PO Box 4569
City/ST/ZIP: Edinburg, TX 78540

FED ID #/SS #: 74-2996684

STATE OF TEXAS §
§
COUNTY OF HIDALGO §

This instrument was acknowledged before me on this the _____ day of_____, 20___,
by _____of and on behalf of _____,
(title) (a corporation)(a partnership)(a sole proprietorship).

(seal)

_____
Notary - Signature

County of Hidalgo Urban County Program:

_____ _____
Witness Diana R. Serna, UCP Director

Exhibit "A"

(Scope of Services)

Geotechnical Engineering & Testing Services

The property legal description is D.T. Villarreal Subdivision, Lot No. 14 (fourteen) located at the original town site of San Carlos, Hidalgo County, Texas. The scope of services for this project will consist of a proposed Residential Building of approximately 802 SF and having approximate dimensions of 32.75' by 24.5'. The proposal includes two 20 feet borings. Field and laboratory testing will be performed to determine the engineering properties affecting the proposed foundation recommendations.

AI-11339 **11.C.**

Home Rehab project survey
CC REGULAR

Date: 09/30/2008
Submitted By: Estella Webber, URBAN COUNTY
Department: URBAN COUNTY
Agenda Area: Urban County

Information

CAPTION

1. Requesting exemption from competitive bidding requirements under the Texas Local Government Code 262.024 (a)(4) for Professional Engineering services in connection with Hidalgo County - Urban County Program Year 19 (2007) for a survey within Precinct No. 1.
2. Presentation of the scoring grid (of at least three (3) engineering firms from the County's approved "pool" as graded and evaluated by UCP Home Staff) for the purpose of ranking by Commissioner's Court in connection with an Urban County Program Owner-Occupied Rehabilitation project survey in Precinct No. 1.
3. Authority to negotiate a professional engineering service contract with the No. 1 ranked firm for the provision of surveying services for a Precinct No. 1 Owner - Occupied Rehabilitation project.

BACKGROUND

Urban County Program HOME Staff has rated three engineering service firms from the County's approved "pool". CVQ Engineering, Quintanilla, Headley & Associates, Inc. and Rodriguez Engineering were rated for a Housing Rehab project that requires a survey.

(See attached scoring grid for your review).

Fiscal Impact

FISCAL YEAR: **ACCT. #:** Urban Co. funds
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:
Urban Co. funds will be used.

Attachments

Link: survey scoring grid

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/24/2008 08:02 AM	APRV
2	Veronica Lopez	Veronica Lopez	09/24/2008 03:53 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:19 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Estella Webber

Started On: 09/23/2008 05:22 PM

Final Approval Date: 09/26/2008

Hidalgo County
Urban County Program
Real Estate Appraisers and Surveyors

	Quintanilla, Headley & Associates, Inc.			CVQ Engineering			Rodriguez Engineering		
	Grader 1	Grader 2	Grader 3	Grader 1	Grader 2	Grader 3	Grader 1	Grader 2	Grader 3
Professional Qualifications of Team	20	17		15	18		15	15	
Experience of Project Team	25	21		10	17		5	20	
Experience/Availability of Project Manager	20	14		15	16		5	18	
Understanding of Project	25	20		10	20		5	15	
Familiarity of Applicable Rules and Regulations	10	10		10	10		10	10	
TOTALS	100	82		60	81		40	78	
AVERAGE	**91%**			**71%**			**59%**		
RANKING	1	1		2	2		3	3	

HIDALGO COUNTY STATEMENT OF QUALIFICATION
SCORING/EVALUATION SHEET
ENGINEERING/ARCHITECTURAL SERVICES

Project Description: SURVEY- FILOMENA CANTU

Department: HIDALGO COUNTY URBAN COUNTY

Name of Firm: RODRIGUEZ ENGINEERING

Date of Evaluation: 9.16.08

Evaluator's Name: MONICA GUERRA

Selection Criteria	**Point**	**Score**
1. Professional Qualifications of Team	**20**	15

Comments/Rationale for Points: 1 LICENSED ENGINEER SINCE 1979. DONE COUNTY WORK FOR OVER 10 YRS.

2. Experience of Project Team	**25**	5

***Note* Information necessary to assess the firm on this criteria should be gathered by contacting past/current clients:**

Comments/Rationale for Points: SMALL PERSONNEL. UNDETERMINED OF THIER YEARS OF EXPERIENCE.

3. Experience/Availability of Project Manager	**20**	5

Comments/Rationale for Points: ONLY ONE PROJECT MANAGER TO MY UNDERSTANDING.

4. Understanding of Project	**25**	5

Comments/Rationale for Points: SPECIALIZES IN ROADWAYS & DRAINAGE DITCHES.

5. Familiarity with Applicable Rules and Regulations	**10**	10

Comments/Rationale for Points: DOES COMPLY WITH ALL AHADA MANDATORY REQUIREMENTS OF HIDALGO COUNTY.

Total Score 40

HIDALGO COUNTY STATEMENT OF QUALIFICATION
SCORING/EVALUATION SHEET
ENGINEERING/ARCHITECTURAL SERVICES

Project Description: Survey - Filomena Cantu

Department: Hidalgo County - Urban County Program

Name of Firm: Rodriguez Engineering

Date of Evaluation: 9-17-08

Evaluator's Name: Arturo Garcia

Selection Criteria	Point	Score
1. Professional Qualifications of Team	20	15

Comments/Rationale for Points: This company has been in the R.G.V. Valley for past 29 years, and is licensed to practice since 1976.

2. Experience of Project Team	25	20

***Note* Information necessary to assess the firm on this criteria should be gathered by contacting past/current clients:**

Comments/Rationale for Points: Multi-disciplinary design firm providing services in civil engineering, surveying and construction management.

3. Experience/Availability of Project Manager	20	18

Comments/Rationale for Points: Has over 28 years experience and is also a licensed Registered Professional Land Surveyor.

4. Understanding of Project	25	15

Comments/Rationale for Points: Has worked with Hidalgo County for the past 10 years and has established a working relationship with the courts.

5. Familiarity with Applicable Rules and Regulations	10	10

Comments/Rationale for Points: Complys

Total Score 78

HIDALGO COUNTY STATEMENT OF QUALIFICATION
SCORING/EVALUATION SHEET
ENGINEERING/ARCHITECTURAL SERVICES

Project Description: SURVEY - FILOMENA CANTU

Department: HIDALGO COUNTY URBAN COUNTY

Name of Firm: QUINTANILLA, HEADLEY, & ASSOCIATES, INC.

Date of Evaluation: 9.16.08

Evaluator's Name: MONICA GUERRA

Selection Criteria	**Point**	**Score**
1. Professional Qualifications of Team	**20**	20

Comments/Rationale for Points: BEEN AROUND SINCE 1986. ALL REGISTERED OR LICENSED.

2. Experience of Project Team	**25**	25

***Note* Information necessary to assess the firm on this criteria should be gathered by contacting past/current clients:**

Comments/Rationale for Points: 23 YRS ENGINEERING EXP. 18 YRS SURVEY EXPERIENCE

3. Experience/Availability of Project Manager	**20**	20

Comments/Rationale for Points: LOCATED IN EDINBURG & AVAILABLE 24 HOURS. CONVENIENT TO UCP ESTABLISHMENT.

4. Understanding of Project	**25**	25

Comments/Rationale for Points: INCLUDES RESEARCH, SURVEYING, PLANNING & DESIGNING, SPECIFICATIONS & CONFERENCES FOR FORMAL DISCUSSIONS.

5. Familiarity with Applicable Rules and Regulations	**10**	10

Comments/Rationale for Points: WAS ADVISED W/ ALL REQUIRED INSURANCES MANDATORY BY HIDALGO COUNTY. IS FAMILIAR W/ ALL OF HIDALGO COUNTY.

Total Score 100

HIDALGO COUNTY STATEMENT OF QUALIFICATION
SCORING/EVALUATION SHEET
ENGINEERING/ARCHITECTURAL SERVICES

Project Description: Survey - Filomena Cantu

Department: Hidalgo County - Urban County Program

Name of Firm: Quintanilla, Headley & Associates, Inc.

Date of Evaluation: 9-17-08

Evaluator's Name: Arturo Garcia

Selection Criteria	**Point**	**Score**
1. Professional Qualifications of Team	**20**	17

Comments/Rationale for Points: Provide engineering services in the fields of Planning Surveying & land development.

2. Experience of Project Team	**25**	21

***Note* Information necessary to assess the firm on this criteria should be gathered by contacting past/current clients:**

Comments/Rationale for Points: Has the experience resources and Commitment to exceed the county of Hidalgo's expectation of project.

3. Experience/Availability of Project Manager	**20**	14

Comments/Rationale for Points: Registered Professional Land Surveyors with 18 years experience

4. Understanding of Project	**25**	20

Comments/Rationale for Points: Have done several Surveying projects all over the county.

5. Familiarity with Applicable Rules and Regulations	**10**	10

Comments/Rationale for Points: Comply

Total Score 82

HIDALGO COUNTY STATEMENT OF QUALIFICATION
SCORING/EVALUATION SHEET
ENGINEERING/ARCHITECTURAL SERVICES

Project Description: Survey - Filomena Cantu

Department: Hidalgo County Urban County Program

Name of Firm: C.V.Q

Date of Evaluation: 9-17-08

Evaluator's Name: Arturo Garcia

Selection Criteria	**Point**	**Score**
1. Professional Qualifications of Team	**20**	18

Comments/Rationale for Points: Provides numerous services in the field of general land surveying, parcel plats, legal descriptions

2. Experience of Project Team	**25**	17

***Note* Information necessary to assess the firm on this criteria should be gathered by contacting past/current clients:**

Comments/Rationale for Points: Understands that the County of Hidalgo has certain guidelines as will gladly work with our criteria and specifications.

3. Experience/Availability of Project Manager	**20**	16

Comments/Rationale for Points: Over 26 years in land surveying to general public.

4. Understanding of Project	**25**	20

Comments/Rationale for Points: Approach project straightforward and uncomplicated.

5. Familiarity with Applicable Rules and Regulations	**10**	10

Comments/Rationale for Points: Strict accordance with the code of Ethics of Texas Board of Professional Land Surveyors.

Total Score 81

HIDALGO COUNTY STATEMENT OF QUALIFICATION
SCORING/EVALUATION SHEET
ENGINEERING/ARCHITECTURAL SERVICES

Project Description: SURVEY- FILOMENA CANTU

Department: HIDALGO COUNTY URBAN COUNTY PROGRAM

Name of Firm: C.V.Q. ENGINEERING

Date of Evaluation: 9/16/08

Evaluator's Name: MONICA GUERRA

Selection Criteria	**Point**	**Score**
1. Professional Qualifications of Team	**20**	15

Comments/Rationale for Points: LICENSED UNDER TEXAS. (ONLY ONE)

2. Experience of Project Team	**25**	10

***Note* Information necessary to assess the firm on this criteria should be gathered by contacting past/current clients:**

Comments/Rationale for Points: 2-SURVEY CHIEFS, 3 TECHS, 2 SURVEY CREW MEMBERS

3. Experience/Availability of Project Manager	**20**	15

Comments/Rationale for Points: OVER 26 YEARS W/ THE PUBLIC, ENG. FIRMS, TITLE CO., ATTORNEYS, MUNICIPALITIES, & STATE AGENCIES.

4. Understanding of Project	**25**	10

Comments/Rationale for Points: INCLUDES (OUR) LAND SURVEYING, PLATS, DESIGN. SEEMS ONLY THE BASICS.

5. Familiarity with Applicable Rules and Regulations	**10**	10

Comments/Rationale for Points: HAS ALL REQUIREMENTS AS MANDATORY BY THE COUNTY.

Total Score 60

AI-11365 **11.D.**

Name Change Amendment

CC REGULAR

Date: 09/30/2008
Submitted By: Estella Webber, URBAN COUNTY
Department: URBAN COUNTY
Agenda Area: Urban County

Information

CAPTION

Hidalgo County Urban County Program requests approval to amend the Interlocal Agreement between Hidalgo County Precinct #3, and La Joya Water Supply Corporation, to include a name change as follows: Hidalgo County Precinct #3 and Agua Special Utility District to consent to the assignment of the Subject Contract.

BACKGROUND

The agreement amendment to change the name of the corporation is pursuant to Section 7201.02 of the Special District Local Laws Code, the Texas legislature has mandated that LJWSC transfer all of its assets, debts, and contractual rights and obligations to Agua Special Utility District. The transfer will be effective upon order of the receivership court, effective date of September 30, 2008.

(See attached letter for your review).

Fiscal Impact

FISCAL YEAR: **ACCT. #:**

FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

No funding necessary for this item.

Attachments

Link: interlocal agreement

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/24/2008 03:37 PM	APRV
2	Veronica Lopez	Veronica Lopez	09/26/2008 07:58 AM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:50 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Estella Webber — Started On: 09/24/2008 02:49 PM

Final Approval Date: 09/26/2008

Bickerstaff Heath Delgado Acosta LLP

816 Congress Avenue Suite 1700 Austin, Texas 78701 (512) 472-8021 Fax (512) 320-5638 www.bickerstaff.com

September 23, 2008

Hidalgo County-Urban County Program
1916 Tesoro Blvd.
Pharr, Texas 78577

Attn: Urban County Program

RE: Agreement by and between Hidalgo County-Urban County Program and on behalf of Hidalgo County Precinct #3 and La Joya Water Supply Corporation ("LJWSC") dated April 24, 2007, and Agreement by and between Hidalgo County-Urban County Program and on behalf of Hidalgo County Precinct #3 and LJWSC dated February 19, 2007 (collectively, the "Subject Contract")

Dear Sir or Madam:

Pursuant to Section 7201.02 of the Special District Local Laws Code, the Texas Legislature has mandated that LJWSC transfer all of its assets, debts, and contractual rights and obligations to Agua Special Utility District (the "SUD"). The transfer will be effective upon order of the receivership court. The effective date is September 30, 2008. At closing, the SUD will (i) acquire all of the assets of LJWSC, (ii) assume all of the operations of LJWSC, and (iii) continue all the activities and business of LJWSC. The former employees of LJWSC will become employees of the SUD.

Please sign in the space provided below to indicate your consent to the assignment of the Subject Contract to the SUD. Execution of this letter represents your agreement that any and all licenses and warranties regarding the work specified in the Subject Contract shall transfer to the SUD. The assignment document from LJWSC will include an assumption by the SUD of the obligations of LJWSC under the Subject Contract.

If you have any questions regarding this matter, do not hesitate to contact LJWSC at (956) 585-2459 or me at (512) 404-7725.

Very truly yours,

Kathryn Lumpkin

The undersigned hereby consents to the assignment of the Subject Contract this _____ day of _____, 2008:

County of Hidalgo – Urban County Program

By: _____
Name: _____
Title: _____

STATE OF TEXAS {

{

COUNTY OF HIDALGO {

AGREEMENT

This Agreement, made and entered into *on this 24th day of April, 2007* by and between **Hidalgo County-Urban County Program** and on behalf of Hidalgo County Precinct #3 hereinafter referred to as **"ENTITY,"** a political subdivision of the State of Texas and La Joya Water Supply Corporation a private not-for-profit organization, hereinafter referred to as **'SUB RECIPIENT".**

WITNESSETH

WHEREAS, the **SUBRECIPIENT** desires to carry out eligible activities as described in Exhibit A and permitted by 24 CER §570.201 (1); and

WHEREAS, the **ENTITY** proposes to contract with **SUBRECIPIENT** in order that the eligible activities described in Exhibit A can be carried out in the **ENTITY's** jurisdiction;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That for and in consideration of the mutual covenants and agreements herein set forth and other good and valuable consideration, the **ENTITY** and the **SUBRECIPIENT** do mutually agree as follows:

SECTION *I*
Rules and Regulations

The **SUBRECIPIENT** agrees to cooperate with the **ENTITY** in respect to the implementation of Community Development Block Grant (CDBG) activities to be carried out by **SUBRECIPIENT** pursuant to 24 CFR Part 570 and other rules, regulations and decisions as may be made by the Department of Housing and Urban Development (HUD) or any other federal or state **ENTITY** that may legally exercise its jurisdiction over expenditures of CDBG funds.

SECTION II
Statement of Work

SUBRECIPIENT agrees to perform services as outlined in **Exhibit A: Statement of Work,** of this Agreement for and in consideration of CDBG funding in the amount of $1,478,662.29 enumerated in **Exhibit B-1: Grant Budget and B-2: Payment Schedule.**

SECTION II
Statement of Work (Continued)

SUBRECIPIENT agrees to notify **ENTITY** *in writing* of any changes in its Statement of Work, Grant Budget and Payment Schedule. **SUBRECIPIENT** shall obtain approval *in writing from* **ENTITY** prior to commencing work on any changes made to the Statement of Work, Grant Budget and Payment Schedule.

ENTITY shall not be liable for costs incurred or performances rendered by SUBRECIPIENT before commencement of this agreement or after termination of this agreement.

SUBRECIPIENT agrees to follow the schedule outlined in Exhibit D: Schedule of Activity, of this Agreement, and shall notify ENTITY, in writing, of any changes, delays or departures from the schedule. If SUBRECIPIENT demonstrates that delays or departure from the schedule is due to circumstances beyond its control, ENTITY and SUBRECIPIENT may amend such Schedules of Activities.

SECTION III
Records and Reports

SUBRECIPIENT agrees to maintain records and reports as outlined in *Exhibit C:* **Records and Reports** and agrees to make those records and reports available to the ENTITY, HUD, and any other local, state or federal **entity or authority that may exercise jurisdiction over expenditure of CDBG funds.**

SECTION IV
Monitoring Visits

SUBRECIPIENT agrees that ENTITY shall conduct on-site monitoring visits to assure compliance with applicable Federal requirements and that performance goals are being achieved as per 24 CFR Part 85.40 (a).

SECTION V
Payment Requests and Program Income

SUBRECIPIENT agrees to follow administrative directions from the ENTITY regarding documenting and processing payment requests as defined in *Exhibit E:* **Requests for Payments.**

ENTITY agrees that the program income stipulation is not applicable to SUBRECIPIENT.

SURRECIPIENT and ENTITY agree that all unused CDBG funds will be returned to ENTITY at the end or termination of this agreement for either reallocation or to be reprogrammed by ENTITY.

SECTION VI Religious Activities

The SUBRECIPIENT and ENTITY both agree that none of the funds expended or activities undertaken shall be used in support of any sectarian or religious activity, nor shall any building or structure funded under this Agreement be used for sectarian or religious activities.

SECTION VII
Other Program Requirements

SUBRECIPIENT agrees to comply with "Other Program Requirements" as listed in 24 CFR

§§570.600 - 611 except for those environmental review requirements listed as 24 CFR 070.604.

SECTION VIII
Uniform Administrative Requirements

SUBRECIPIENT agrees to comply with the requirements and standards of OMB Circular No. A-122, "Cost Principles for Nonprofit Organizations" and the following attachments to OMB Circular No. A-110 as applicable:

(1) Attachment A, "Cash Depositories", except for paragraph 4 concerning deposit insurance;
(2) Attachment B, "Bonding and Insurance";
(3) Attachment C, "Retention and Custodial Requirements for Records", except that in lieu of the provisions in paragraph 4, the retention period for records pertaining to individual CDBG activities starts from the date of submission of the annual performance and evaluation report, as prescribed in 24 CFR §570.507, in which the specific activity is reported on for the final time;
(4) Attachment F, "Standards for Financial Management Systems";
(5) Attachment H, "Monitoring and Reporting Program Performance", paragraph 2;
(6) Attachment N, "Property Management Standards," except for paragraph 3 concerning the standards for real property and *except* that paragraphs 6 and 7 are modified so that in all cases in which personal property is sold, the proceeds not needed by the **SUBRECIPIENT** for CDBG activities shall be transferred to the **ENTITY** for the use of the CDBG program or shall be retained after compensating the **ENTITY** for the original cost of such property or *the* portion thereof acquired with CDBG Funds; and
(7) Attachment 0, "Procurement Standards".

SECTION IX
Audit Requirements

SUBRECIPIENT agrees to comply with the applicable requirements and standards as set forth in OMB Circular A-133, Audits of States, Local Governments and Non-Profit organizations. **SUBRECIPIENT** agrees *to* provide to **ENTITY** a copy of its Financial Report.

SECTION X
Suspension and Termination

SUBRECIPIENT understands that this agreement may be suspended or terminated, in accordance *with 24* CFR 05.43, if the **SUBRECIPIENT** materially fails to comply with the provisions of this agreement or the provisions so listed on Exhibits A through E.

This agreement may be terminated for convenience by either party at any time prior to the full term of the Agreement period. provided that written notice is given to the other party thirty (30) days in advance.

It is expressly agreed that this Agreement may not be amended except upon the joint action of both Hidalgo County, Urban County Program and La Joya Water Supply Corporation

SECTION XI
Assets

SUBRECIPIENT shall not purchase any asset unless so permitted by the ENTITY and such procurement shall be done in the form and manner so prescribed by the ENTITY.

Any asset acquired or improved in part or in whole with CDBG funds in excess of $25;000 must be used in an activity that meets one of the national objectives listed in 24 CFR §570.208 for a period of five years after the expiration of this Agreement or a longer period if so determined by the ENTITY.

The disposition of any asset improved or acquired in part or in whole with CDBG funds by the SUBRECIPIENT must be done with prior approval of the ENTITY and *the* ENTITY shall *be* reimbursed for *the asset,* if sold, in the full amount of the disposed value of the asset. The ENTITY may, at its option, request that such asset be transferred to ENTITY if the asset is no longer being used to meet one of the national objectives or in any case where the SUBRECIPIENT no longer provides services shown on Exhibit A.

SECTION XII
Indemnity Clause

SUBRECIPIENT agrees to hold ENTITY harmless from, and indemnify ENTITY for and defend ENTITY against any and all claims brought against ENTITY by employees or officers of SUBRECIPIENT or brought by any third person arising in any manner directly or indirectly from SUBRECIPIENT programs, activities or events conducted pursuant to this Agreement.

SUBRECIPIENT shall acquire, maintain and furnish to ENTITY a Certificate of Insurance as proof that it has secured and paid for policies of public liability and automobile insurance to cover all operations and services under the contract agreement with limits of not less than $300,000.00 per occurrence, $300,000.00 aggregate, covering all risks incident to or in connection with the execution, performance, attempted performance or non-performance of this Agreement. This requirement shall be to meet SUBRECIPIENT's duty of indemnification under this paragraph.

SECTION XIII
Procurement

SUBRECIPIENT agrees to follow the rules of the ENTITY on the procurement of services, supplies or non-real property in relation to ENTITY-funded projects. The legal standards that will apply include the Procurement Standards of the Hidalgo County Urban County Program which includes 24 CFR 85 36, and the Texas County Purchasing Act. In such. case as SUBRECIPIENT has developed procurement standards governing its operation, such standards shall be *reviewed* by ENTITY to ensure compliance with the Standards implemented by ENTITY.

SECTION XIV
Conflict of Interest

The SUBRECIPIENT covenants that no member of its organization or staff member who exercises influence on the decision-making process presently has or will have any interest, direct or indirect, with any person, corporation, company or association that is hired to carry out any of the activities so listed on Exhibit A.

The **SUBRECIPIENT** agrees that no person who is an elected official, officer, director, employee, consultant, or agent of the **SUBRECIPIENT's** organization or the **ENTITY's** organization shall gain any interest in any corporation, company, or association that is hired to carry out any of the activities so listed in **Exhibit A** during their tenure or for a period of one year thereafter.

No **ENTITY** employees, elected officials, consultants and/or agents shall solicit nor accept gratuities, favors, or anything of monetary value from any person, corporation, company, or association that has been hired or expects to be hired to perform any of the activities so described on **Exhibit A.**

SECTION XV
Legal Action and Venue

The **SUBRECIPIENT** agrees to notify the **ENTITY** when a problem arises that may lead to legal action or claim against the **SUBRECIPIENT.** The **SUBRECIPIENT** agrees to furnish to the **ENTITY** any information with respect to such action or claim. The **SUBRECIPIENT** agrees not to take any action with respect to any legal action or claim sought against the **SUBRECIPIENT** without the advice and consent of the **ENTITY.**

Venue and jurisdiction of any suit, right or cause of action arising under or in connection with this Agreement shall lie exclusively in Hidalgo County.

SECTION XVI
Miscellaneous Provisions

14.01 **Conflict with Applicable Law.** Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any present or future law, ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

14.02 **No Waiver.** No waiver by **ENTITY** of any breach of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

14.03 **Entire Agreement.** This Agreement contains the entire contract between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representations or agreements in connection with this Agreement not specifically set forth herein. This Agreement maybe modified or amended only by agreement in writing executed by **ENTITY** and **SUBRECIPIENT,** and not otherwise.

14.04 **Texas Law to Apply.** This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas. *The parties hereby* consent to personal jurisdiction in Hidalgo County, Texas.

14.05 **Notice.** Except as may be otherwise specifically provided in this Agreement, all notices, demands, requests or communications required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or (iii) by facsimile, at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to ENTITY: Hidalgo County

Attention: Urban County Program
1916 Tesoro Blvd. Pharr, Texas
78577

956 787 8127

if to SUBRECIPIENT: La Joya Water Supply Corporation
P.O. Box A La Java, TX 78560

SECTION XVI Miscellaneous Provisions (Continued)

14.05 (Continued) Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the Unites States mail.

14.06 **Additional Documents.** The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

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

14.08 **Assignment.** This Agreement shall not be assignable by **SUBRECIPIENT. ENTITY** may assign this Agreement without the consent of **SUBRECIPIENT.**

14.09 **Headings.** The headings and captions contained in this Agreement are solely for convenient reference and shall not be deemed to affect the meaning or interpretation of any provision or paragraph hereof.

14.10 **Gender and Number.** All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and the singular shall include the plural whenever and as often ass may be appropriate

14.11 **Authority to Execute.** The execution and performance of this Agreement by **ENTITY** and **SUBRECIPIENT** have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of **ENTITY** and **SUBRECIPIENT** in accordance with its terms.

SECTION XVII
Effective Date

The effective date of this contract shall be the 24th day of April, 2007, such date being the date the County Commissioners' Court approved entering into this Agreement with SUBRECIPIENT, and shall terminate on the 31st day of December, 2007.

Approved and signed this 19 day of April, 2007.

Pablo Vela, Receiver

SUBRECIPIENT Firm Name: La Jova Water Supply Corporation
Address: P.O. Box A
City/State/Zip: La Java, TX 78550
Fed. I.D. # or Soc. Sec. #:

STATE OF TEXAS

COUNTY *OF* HIDALGO

Pablo Vela, Jr., personally appeared before me and declared that he/she signed this application in the capacity designated, if any, and further states that, he/she has read the above application, and the statements therein contained are true.

Subscribed and sworn to me before this 19th day of April, 2001.

KRISTINA A. SAUCEDA
Notary Public, State of Texas
My Commission Expires
March 24, 2009

Kristina A. Sauceda
NOTARY-SIGNATURE

COUNTY OF HIDALGO

URBAN COUNTY PROGRAM

Witness

Diana R. Serna, UCP Executive Director

Exhibit A
Statement of Work

Describe the type and amount

s of services provided by your agency that will result from the use of grant Funds. (Please explain in detail. If additional space is needed, use additional paper.)

The funding of $1,478,662.29 will:

Relocate a large portion of the Corporations water lines. The relocations are required by TxDOT as a result of TxDOT's proposed improvements to US 83, which include widening the US 83 right of way to include a large portion of the Corporation's water lines and easements, as well as TxDOT projects to improve FM 1924 and Business Location of existing water lines are as follows:

US 83. US 83 and Abram Road (CSJ 0039-17-142; CSJ-0039-17-144; 0039-17-145;0039-17-147;0039-17-148;0885-01-085)Relocation of approximately 47,100' of water lines located along and outside of the current right of way of US Highway 83 from the Edinburg Main Canal to Business 83 West connector in Peñitas.

FM 1924 (3 Mile Rd.) (CSJ-1802-01-031)
Relocation of approximately 11,200' of water lines from Bentsen Palm Drive to FM 492.

Business US 83 (CSJ 0039-02-043). Relocation of approximately 17,500' of water lines along Business 83 from Inspiration Road west to US Highway83

The following services will be performed in this manner:

The relocation of the water lines will be performed by the LJWSC through its own contractor under service agreement utilizing accepted construction methods.

The following services will be expanded/added as a result of CDBG funds:

Re-location of water lines for improvements to US 83, which include widening the US 83 right of way to include a large portion of the Corporation's water lines and easements, as well as TxDOT projects to improve FM 1924 and Business US 83.

The following type of beneficiaries will be served:

At least 51% of service area covered by the line are persons of low/mod income.

The services will be provided at the following address and/or location(s):

CT 24201 BG 1-4; CT 24202 BG 1-4

Exhibit B-1

Grant Budget
City:___/ Pct.:3

TYPE OF EXPENDITURES	BUDGETED AMOUNT
US 83 and Abram Road (CSJ 0039-17-142; 0039-17-144; 0039-17-145; 0039-17-147; 0039-17-148; 0885-01-085) Relocation of approximately 47,100' of water lines located along and outside of the current right of way of US Highway 83 from the Edinburg Main Canal to Business 83 West connector in Peñitas.	
FM 1924 (3 Mile Rd.) (CSJ-1802-01-031) Relocation of approximately 11,200' of water lines from Bentsen Palm Drive to FM 492.	
Business US 83 (CSJ 0039-02-043). Relocation of approximately 17,500' of water lines along Business 83 from Inspiration Road west to US Highway83.	
SUBTOTAL	
15% CONSTRUCTION CONTINGENCY	$
	$
TOTAL GRANT BUDGET:	$ 1,478,662.29

EXHIBIT B-2
PAYMENT SCHEDULE

City: _____] Pct.:

2007 _ For the Months of..	Estimated Amount of	Type of Budgeted Expenditures
JULY	$	
AUGUST		
SEPTEMBER	$	
OCTOBER		
NOVEMBER	$	
DECEMBER	$	
JANUARY	$	
FEBRUARY	$	
-MARCH	$	
APRIL	$1,478,662.29	One lump sum payment prior to construction to LJWSC (a sole source provider).
MAY		
JUNE	$	
TOTALS:	$1,478,662.29	

Exhibit C
Records & Reports
City:_____/Pct:3

A). When requesting payment, attach a cover letter summarizing the expenditures with the following documents:

Copies of Invoices
Other Supporting Documents

Payment requests must be submitted to Urban County by the 15th of each month.

B). 1 Performance report must be submitted to the Urban County Program at the completion of the project. The performance report must have the following items:

Period covered by Performance Report
Type of services provided
Type of Equipment/Supplies Purchased
Amount of fund Expended
Number of Beneficiaries Served & Ethnicity Data

4000	White, non Hispanic
600	Black, non Hispanic
	Native American
75	Asian or Pacific Islander
19000	Hispanic
23675	Total

Other significant Information

*BECAUSE OF THE NATURE OF THIS PROJECT, THE URBAN COUNTY PROGRAM WILL ASSUME THE LEAD IN GATHERING THE DATA ABOVE (BENEFICIARY AND ETHNICITY DATA) FOR FILE COMPLIANCE.

C). SUBRECIPIENT must maintain a file of all records and reports submitted to the Urban County Program.

SUBRECIPIENT must maintain files of all original contract agreements, amendments, and correspondence.

D.) SUBRECIPIENT must maintain proper financial records.

Exhibit D
Schedule of Activity
City: ____ / Pet.: 3

SLBRECIPIENT hereby agrees to perform services as outlined in Exhibit A.

A proposed monthly schedule of activity should be provided in this space. Schedule should not exceed SUB.RECWIENT contract time frame of twelve months from contract date.

2007 For the Months of...	Number of Beneficiaries	Services
JULY	0	Continue project construction
AUGUST	0	Continue project construction
SEPTEMBER	0	Continue project construction
OCTOBER	0	Continue project construction
NOVEMBER	0	Continue project construction
DECEMBER	23675	Completion of re-location of water lines for Precinct 3 area.
JANUARY		
FEBRUARY		
MARCH		
APRIL	0	Commence Project Construction
MAY	0	Continue project construction
JUNE	0	Continue project construction

EXHIBIT E
REQUESTS FOR PAYMENT
City: _____/Pct.: 3

A) SUBRECIPIENT shall submit one invoice for the entire cost of the project. This invoice can be submitted at the onset of the project. Entity will pay in advance the total cost of the project.

B) ENTITY will only reimburse for those costs and areas eligible as identified in Exhibits A, B, C, and D.

STATE OF TEXAS {
{
COUNTY OF HIDALGO {

AGREEMENT

This Agreement, made and entered into on this the 13th day of February, 2007 by and between **Hidalgo County-Urban County Program** and on behalf of Hidalgo County Precinct #3 hereinafter referred to as "**ENTITY**," a political subdivision of the State of Texas and La Joya Water Supply Corporation a private not-for-profit organization, hereinafter referred to as "**SUB RECIPIENT**".

WITNESSETH

WHEREAS, the **SUBRECIPIENT** desires to carry out eligible activities as described in Exhibit A and permitted by 24 CFR §570.201 (l); and

WHEREAS, the **ENTITY** proposes to contract with **SUBRECIPIENT** in order that the *eligible* activities described in Exhibit A can be carried out in the **ENTITY's** jurisdiction;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS: That for and in consideration of the mutual covenants and agreements herein set forth and other good and valuable consideration, the **ENTITY** and the **SUBRECIPIENT** do mutually agree as follows:

SECTION I
Rules and Regulations

The **SUBRECIPIENT** agrees to cooperate with the **ENTITY** in respect to the implementation of Community Development Block Grant (CDBG) activities to be carried out by **SUBRECIPIENT** pursuant to 24 CFR Part 570 and other rules, regulations and decisions as may be made by the Department of Housing and Urban Development (HUD) or any other federal or state **ENTITY** that may legally exercise its jurisdiction over expenditures of CDBG funds.

SECTION II
Statement of Work

SUBRECIPIENT agrees to perform services as outlined in **Exhibit A: Statement of Work,** of this Agreement for and in consideration of CDBG funding in the amount of $486,220.00 enumerated in **Exhibit B-1: Grant Budget** and **B-2: Payment Schedule**.

SECTION II
Statement of Work (Continued)

SUBRECIPIENT agrees to notify **ENTITY** *in writing* of any changes in its Statement of Work, Grant Budget and Payment Schedule. **SUBRECIPIENT** shall obtain approval *in writing* from **ENTITY** prior to commencing work on any changes made to the Statement of Work, Grant Budget and Payment Schedule.

ENTITY shall not be liable for costs incurred or performances rendered by **SUBRECIPIENT** before commencement of this agreement or after termination of this agreement.

SUBRECIPIENT agrees to follow the schedule outlined in **Exhibit D: Schedule of Activity,** of this Agreement, and shall notify **ENTITY,** in writing, of any changes, delays or departures from the schedule. If **SUBRECIPIENT** demonstrates that delays or departure from the schedule is due to circumstances beyond its control, **ENTITY** and **SUBRECIPIENT** may amend such Schedules of Activities.

SECTION III
Records and Reports

SUBRECIPIENT agrees to maintain records and reports as outlined in ***Exhibit C:*** **Records and Reports** and agrees to make those records and reports available to the **ENTITY,** HUD, and any other local, state or federal **entity or authority that may exercise jurisdiction over expenditure of CDBG funds.**

SECTION IV
Monitoring Visits

SUBRECIPIENT agrees that **ENTITY** shall conduct on-site monitoring visits to assure compliance with applicable Federal requirements and that performance goals are being achieved as per 24 CFR Part 85.40 (a).

SECTION V
Payment Requests and Program Income

SUBRECIPIENT agrees to follow administrative directions from the **ENTITY** regarding documenting and processing payment requests as defined in ***Exhibit E:*** **Requests for Payments.**

ENTITY agrees that the program income stipulation is not applicable to **SUBRECIPIENT.**

SUBRECIPIENT and **ENTITY** agree that all unused CDBG funds will be returned to **ENTITY** at the end or termination of this agreement for either reallocation or to be reprogrammed by **ENTITY.**

SECTION VI
Religious Activities

The SUBRECIPIENT and **ENTITY** both agree that none of the funds expended or activities undertaken shall be used in support of any sectarian or religious activity, nor shall any building or structure funded under this Agreement be used for sectarian or religious activities.

SECTION VII
Other Program Requirements

SUBRECIPIENT agrees to comply with "Other Program Requirements" as listed in 24 CFR

§§570.600 - 611 except for those environmental review requirements listed as 24 CFR §570.604.

SECTION VIII
Uniform Administrative Requirements

SUBRECIPIENT agrees to comply with the requirements and standards of OMB Circular No. A-122, "Cost Principles for Nonprofit Organizations" and the following attachments to OMB Circular No. A-110 as applicable:

(1) Attachment A, "Cash Depositories", except for paragraph 4 concerning deposit insurance;
(2) Attachment B, "Bonding and Insurance";
(3) Attachment C, "Retention and Custodial Requirements for Records", except that in lieu of the provisions in paragraph 4, the retention period for records pertaining to individual CDBG activities starts from the date of submission of the annual performance and evaluation report, as prescribed in 24 CFR §570.507, in which the specific activity is reported on for the final time;
(4) Attachment F, "Standards for Financial Management Systems";
(5) Attachment H, "Monitoring and Reporting Program Performance", paragraph 2;
(6) Attachment N, "Property Management Standards," except for paragraph 3 concerning the standards for real property and except that paragraphs 6 and 7 are modified so that in all cases in which personal property is sold, the proceeds not needed by the **SUBRECIPIENT** for CDBG activities shall be transferred to the **ENTITY** for the use of the CDBG program or shall be retained after compensating the **ENTITY** for the original cost of such property or the portion thereof acquired with CDBG Funds; and
(7) Attachment O, "Procurement Standards".

SECTION IX
Audit Requirements

SUBRECIPIENT agrees to comply with the applicable requirements and standards as set forth in OMB Circular A-133, Audits of States, Local Governments and Non-Profit organizations. **SUBRECIPIENT** agrees to provide to **ENTITY** a copy of its Financial Report.

SECTION X
Suspension and Termination

SUBRECIPIENT understands that this agreement may be suspended or terminated, in accordance with 24 CFR §85.43, if the **SUBRECIPIENT** materially fails to comply with the provisions of this agreement or the provisions so listed on Exhibits A through E.

This agreement may be terminated for convenience by either party at any time prior to the full term of the Agreement period, provided that written notice is given to the other party thirty (30) days in advance.

It is expressly agreed that this Agreement may not be amended except upon the joint action of both **Hidalgo County, Urban County Program and La Joya Water Supply Corporation**

SECTION XI
Assets

SUBRECIPIENT shall not purchase any asset unless so permitted by the **ENTITY** and such procurement shall be done in the form and manner so prescribed by the **ENTITY**.

Any asset acquired or improved in part or in whole with CDBG funds in excess of $25,000 must be used in an activity that meets one of the national objectives listed in 24 CFR §570.208 for a period of five years after the expiration of this Agreement or a longer period if so determined by the **ENTITY**.

The disposition of any asset improved or acquired in part or in whole with CDBG funds by the **SUBRECIPIENT** must be done with prior approval of the **ENTITY** and the **ENTITY** shall be reimbursed for the asset, if sold, in the full amount of the disposed value of the asset. The **ENTITY** may, at its option, request that such asset be transferred to **ENTITY** if the asset is no longer being used to meet one of the national objectives or in any case where the **SUBRECIPIENT** no longer provides services shown on Exhibit A.

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Indemnity Clause

SUBRECIPIENT agrees to hold **ENTITY** harmless from, and indemnify **ENTITY** for and defend **ENTITY** against any and all claims brought against **ENTITY** by employees or officers of **SUBRECIPIENT** or brought by any third person arising in any manner directly or indirectly from **SUBRECIPIENT** programs, activities or events conducted pursuant to this Agreement.

SUBRECIPIENT shall acquire, maintain and furnish to **ENTITY** a Certificate of Insurance as proof that it has secured and paid for policies of public liability and automobile insurance to cover all operations and services under the contract agreement with limits of not less than $300,000.00 per occurrence, $300,000.00 aggregate, covering all risks incident to or in connection with the execution, performance, attempted performance or non-performance of this Agreement. This requirement shall be to meet **SUBRECIPIENT**'s duty of indemnification under this paragraph.

SECTION XIII
Procurement

SUBRECIPIENT agrees to follow the rules of the **ENTITY** on the procurement of services, supplies or non-real property in relation to **ENTITY**-funded projects. The legal standards that will apply include the Procurement Standards of the Hidalgo County Urban County Program which includes 24 CFR 85.36, and the Texas County Purchasing Act. In such case as **SUBRECIPIENT** has developed procurement standards governing its operation, such standards shall be reviewed by **ENTITY** to ensure compliance with the Standards implemented by **ENTITY**.

SECTION XIV
Conflict of Interest

The **SUBRECIPIENT** covenants that no member of its organization or staff member who exercises influence on the decision-making process presently has or will have any interest, direct or indirect, with any person, corporation, company or association that is hired to carry out any of the activities so listed on **Exhibit A.**

The **SUBRECIPIENT** agrees that no person who is an elected official, officer, director, employee, consultant, or agent of the **SUBRECIPIENT**'s organization or the **ENTITY**'s organization shall gain any interest in any corporation, company, or association that is hired to carry out any of the activities so listed in **Exhibit A** during their tenure or for a period of one year thereafter.

No **ENTITY** employees, elected officials, consultants and/or agents shall solicit nor accept gratuities, favors, or anything of monetary value from any person, corporation, company, or association that has been hired or expects to be hired to perform any of the activities so described on **Exhibit A.**

SECTION XV
Legal Action and Venue

The **SUBRECIPIENT** agrees to notify the **ENTITY** when a problem arises that may lead to legal action or claim against the **SUBRECIPIENT**. The **SUBRECIPIENT** agrees to furnish to the **ENTITY** any information with respect to such action or claim. The **SUBRECIPIENT** agrees not to take any action with respect to any legal action or claim sought against the **SUBRECIPIENT** without the advice and consent of the **ENTITY.**

Venue and jurisdiction of any suit, right or cause of action arising under or in connection with this Agreement shall lie exclusively in Hidalgo County.

SECTION XVI
Miscellaneous Provisions

14.01 **Conflict with Applicable Law.** Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any present or future law, ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

14.02 **No Waiver.** No waiver by **ENTITY** of any breach of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

14.03 **Entire Agreement.** This Agreement contains the entire contract between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representations or agreements in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by **ENTITY** and **SUBRECIPIENT**, and not otherwise.

14.04 **Texas Law to Apply.** This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas. The parties hereby consent to personal jurisdiction in Hidalgo County, Texas.

14.05 **Notice.** Except as may be otherwise specifically provided in this Agreement, all notices, demands, requests or communications required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or (iii) by facsimile, at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to **ENTITY**: Hidalgo County

Attention: Urban County Program
1916 Tesoro Blvd.
Pharr, Texas 78577

If to SUBRECIPIENT:

La Joya Water Supply Corporation
P.O. Box A
La Joya, TX 78560

SECTION XVI
Miscellaneous Provisions (Continued)

14.05 (Continued) Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the Unites States mail.

14.06 **Additional Documents.** The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

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

14.08 **Assignment.** This Agreement shall not be assignable by **SUBRECIPIENT. ENTITY** may assign this Agreement without the consent of **SUBRECIPIENT.**

14.09 **Headings.** The headings and captions contained in this Agreement are solely for convenient reference and shall not be deemed to affect the meaning or interpretation of any provision or paragraph hereof.

14.10 **Gender and Number.** All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate

14.11 **Authority to Execute.** The execution and performance of this Agreement by **ENTITY** and **SUBRECIPIENT** have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of **ENTITY** and **SUBRECIPIENT** in accordance with its terms.

SECTION XVII
Effective Date

The effective date of this contract shall be the 13th day of February, 2007, such date being the date the County Commissioners' Court approved entering into this Agreement with **SUBRECIPIENT**, and shall terminate on the 30th day of June, 2007.

Approved and signed this 19th day of Feb, 2007.

Pablo Vela, Jr. Receiver

SUBRECIPIENT Firm Name: La Joya Water Supply Corporation
Address: P.O. Box A
City/State/Zip: La Joya, TX 78560
Fed. I.D. # or Soc. Sec. #:

STATE OF TEXAS {
{
COUNTY OF HIDALGO {

Pablo Vela Jr., personally appeared before me and declared that he/she signed this application in the capacity designated, if any, and further states that, he/she has read the above application, and the statements therein contained are true.

Subscribed and sworn to before me this 16th day of February, 2007

SUZETTE J. RUELAS
MY COMMISSION EXPIRES
March 19, 2008

Suzette J. Ruelas
Notary - Signature

COUNTY OF HIDALGO
URBAN COUNTY PROGRAM

Hilda Pazan
Witness:

Diana R. Serna
UCP Executive Director

Exhibit A
Statement of Work

Describe the type and amounts of services provided by your agency that will result from the use of grant Funds. (Please explain in detail. If additional space is needed, use additional paper.)

The funding of **$486,220.00** will:

Replace 17,025 linear feet of waterline with upgraded 12 inch DR25 fire-rated line from the Havana Water Plant going east on Highway 83. The upgraded line will defer the 30% water loss currently experienced by the present line and will also allow for the commercial and industrial development of the service area by offering fire protection (fire hydrants) that the current line cannot offer.

The following services will be performed in this manner:

The installation of the line will be performed by the LJWSC through its own contractor under service agreement utilizing accepted construction methods.

The following services will be expanded/added as a result of CDBG funds:

Increased access to water service for customers of the LJWSC by negating water service loss due to constant breaks in the existing line. Increased access to fire protection along Highway 83.

The following type of beneficiaries will be served:

At least 51% of service area covered by the line are persons of low/mod income.

The services will be provided at the following address and/or location(s):

CT 24201 BG 1-4; CT 24202 BG1-4

Exhibit B-1
Grant Budget
City:_____ / Pct.:___3___

TYPE OF EXPENDITURES	BUDGETED AMOUNT
12" PVC, 17025 LINEAR FEET AT $22.00 PER FT	$ 374,550.00
12" PVC 90 DEGREE BEND; 1 AT $750.00 EACH	$ 750.00
6" FLUSH VALVES 10 AT $1,250.00 EACH	$ 12,500.00
TIE-IN TO EXISTING WATERLINE; 2 AT $2,500.00 EACH	$ 5,000.00
12" VALVE AND BOX; 12 AT $2,500.00 EACH	$ 30,000.00
SUBTOTAL	$ 422,800.00
15% CONSTRUCTION CONTINGENCY	$ 63,420.00
	$
TOTAL GRANT BUDGET:	$ 486,220.00

EXHIBIT B-2
PAYMENT SCHEDULE
City:_____ / Pct.:_____

2007 _ For the Months of...	Estimated Amount of Expenditures	Type of Budgeted Expenditures
JULY	$	
AUGUST	$	
SEPTEMBER	$	
OCTOBER	$	
NOVEMBER	$	
DECEMBER	$	
JANUARY	$	
FEBRUARY	$ 486,220.00	CONSTRUCTION AND SUPPLY COSTS
MARCH	$	
APRIL	$	
MAY	$	
JUNE	$	
TOTALS:	$ 486,220.00	

Exhibit C
Records & Reports

City:_____ / Pct.: 3

A). When requesting payment, attach a cover letter summarizing the expenditures with the following documents:

- Copies of Invoices
- Other Supporting Documents

Payment requests must be submitted to Urban County by the 15th of each month.

B). 1 Performance report must be submitted to the Urban County Program at the completion of the project. The performance report must have the following items:

- Period covered by Performance Report
- Type of services provided
- Type of Equipment/Supplies Purchased
- Amount of fund Expended
- Number of Beneficiaries Served & Ethnicity Data

  4000 White, non Hispanic
  600 Black, non Hispanic
  _____ Native American
  75 Asian or Pacific Islander
  19000 Hispanic
  23675 Total

- Other significant Information

***BECAUSE OF THE NATURE OF THIS PROJECT, THE URBAN COUNTY PROGRAM WILL ASSUME THE LEAD IN GATHERING THE DATA ABOVE (BENEFICIARY AND ETHNICITY DATA) FOR FILE COMPLIANCE.**

C). SUBRECIPIENT must maintain a file of all records and reports submitted to the Urban County Program.

SUBRECIPIENT must maintain files of all original contract agreements, amendments, and correspondence.

D.) SUBRECIPIENT must maintain proper financial records.

Exhibit D
Schedule of Activity
City:_____ / Pct.: 3

SUBRECIPIENT hereby agrees to perform services as outlined in Exhibit A.

A proposed monthly schedule of activity should be provided in this space. Schedule should not exceed SUBRECIPIENT contract time frame of twelve months from contract date.

20 07 For the Months of...	Number of Beneficiaries	Services
JULY		
AUGUST		
SEPTEMBER		
OCTOBER		
NOVEMBER		
DECEMBER		
JANUARY		
FEBRUARY	0	Order materials for project
MARCH	0	Commence project construction
APRIL	0	Continue and complete construction
MAY	23675	Increased access to water for LJWSC customers and fire protection along hwy 83
JUNE		

EXHIBIT E

REQUESTS FOR PAYMENT

City:_____ / Pct.: 3

A) SUBRECIPIENT shall submit one invoice for the entire cost of the project. This invoice can be submitted at the onset of the project. Entity will pay in advance the total cost of the project.

B) ENTITY will only reimburse for those costs and areas eligible as identified in Exhibits A, B, C, and D.

AI-11346 **11.E.**

CAPER - Annual Report
CC REGULAR

Date: 09/30/2008
Submitted By: Estella Webber, URBAN COUNTY
Department: URBAN COUNTY
Agenda Area: Urban County

Information

CAPTION

Public Hearing to consider public comments on the County of Hidalgo's Consolidated Annual Performance and Evaluation Report (CAPER) prior to submission to the U.S. Department of Housing and Urban Development.

BACKGROUND

Citizen Participation requirements dictate that the County hold a public hearing to consider public comments on the contents of its Consolidated Annual Performance and Evaluation Report prior to its submission to HUD. The Urban County Program published public notice of the Reports completion and the thirty (30)-day public comment period ran from August 30, 2008 through September 29th, 2008. An additional notice advising the public of the new Public Hearing time was published on September 26th, 2008.

Fiscal Impact

Attachments

Link: Caper Annual Report

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/24/2008 09:55 AM	APRV
2	Veronica Lopez	Veronica Lopez	09/24/2008 04:16 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:37 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Estella Webber — Started On: 09/24/2008 09:18 AM

Final Approval Date: 09/26/2008

INTRODUCTION

The Consolidated Annual Performance and Evaluation Report (CAPER) is a comprehensive evaluation of the County's use of Community Development Block Grant (CDBG), HOME and Emergency Shelter Grant (ESG) entitlement funding. The U.S. Department of Housing and Urban Development is the funding entity of these federal programs. The CAPER contains a summary of accomplishments achieved in response to objectives set forth by the County's Five-Year Consolidated Plan and Strategy. For reporting purposes, the CAPER focuses on those activities outlined in the County's 2007-2008 One-Year Action Plan and expenditures realized during that time period.

The CAPER is comprised of three basic elements: 1) current activities in IDIS which include all required financial and performance data used for annual reporting, 2) required narrative discussions on certain HUD identified topics and 3) required IDIS reports. Wherever possible, tables and graphs were used to interpret performance and expenditure data in order to facilitate an ease of understanding. In summary, the County's 2007-2008 CAPER has been prepared in accordance with the performance reporting requirements set forth in 24 CFR Part 91.

INSTITUTIONAL STRUCTURE

The Urban County Program (UCP) is a department within the Hidalgo County governance structure. Hidalgo County, as the grantee, created the UCP in 1988 to serve as the administrative entity for these HUD funds. Funded projects take place in eighteen non-entitlement cities and the four county precincts. Those cities include are: Alamo, Alton, Donna, Edcouch, Elsa, Granjeno, Hidalgo, La Joya, La Villa, Mercedes, Palmhurst, Palmview, Penitas, Progreso, Progreso Lakes, San Juan, Sullivan City and Weslaco. The cities range in population size from 234 (Progreso Lakes) to 26,935 (Weslaco), with an average size of approximately 7,800.

The principal beneficiaries of programs funded by the UCP are those persons of low and moderate-income means. HUD defines this target group as those persons having an income at or below 80% of the area's median income. This reporting year, 100% of eligible fund expenditures in the CDBG and HOME programs were of direct benefit to this target group.

In terms of minority benefit, Hidalgo County is predisposed to serve minority groups inasmuch that approximately 88% of the population is Hispanic. Given the correlation between minority status and income levels, funded projects overwhelmingly serve low and moderate-income persons that are of Hispanic descent.

The UCP further strives to make the appropriate accommodations for persons with disabilities if notified in advance. Translators and helpers can be made available on an as-needed basis. This accommodation is made known through advertisements notifying the public about upcoming public hearings or meetings. Compliance with the Americans with Disabilities Act is mandatory in all building construction projects funded by the UCP.

SOURCE OF FUNDS

At the onset of the program year, the County utilized an operating budget of $8,632,714 for the CDBG Program, $2,781,270 for the HOME Program and $372,645 for the ESG Program to implement the 2007-2008 Program Year. In addition to the entitlement funding received from HUD, the County continued to utilize grant funding from the State to address the living standards in *colonias*. The County applied for and received two (2) Economically Distressed Areas Program Grants during this reporting period for a two year (2) period. The grants were in the amount of $ 97,614 and $ 329,037 for a combined total of $ 426,651 Beneficiaries will be noted in next years CAPER.

GEOGRAPHIC DISTRIBUTION

Expenditures realized were directed under projects that primarily benefit the County's low and moderate-income population. Specific projects undertaken were located in and around the original townsites of participating cities or in the outlying rural areas of the County. These census tracts contain the highest concentration of low and moderate-income persons.

NARRATIVES

A. Assessment of Five-Year Goals & Objectives

All activities undertaken this Program Year addressed certain objectives set forth by the County's Five-Year Consolidated Plan & Strategy (CPS). The County is pleased to report that 100% of activities funded this year were designated as high priorities. This reporting period, the County expended $8,709,078.58 in CDBG funds. This figure translates to an expenditure ratio of .87, well below the 1.5 minimum standard required by HUD and represents the best expenditure ratio ever attained by the Hidalgo County Urban County Program in its twenty-year history. This achievement is an affirmation of the County's diligent effort to put these federal funds to work in an expeditious manner.

CDBG EXPENDITURES BY PRIORITY DESIGNATION		
Parks, Recreational Facilities 03F	HIGH	$ 789,627.41
Flood Drain Improvements 03I	HIGH	$ 197,305.23
Water, Sewer Improvements 03J	HIGH	$1,512,433.67
Housing Rehabilitation 14A	HIGH	$ 82,962.50
Street Improvements 03K	HIGH	$1,711,470.30
Fire Stations/Equipment 03O	HIGH	$1,230,209.04
Public Services 05	HIGH	$ 906,282.21
General Program Administration 21A	HIGH	$1,271,303.12
Public Facilities 03	HIGH	$ 50,800.00
Neighborhood Facilities 03E	HIGH	$ 103,798.00
Planning 20	HIGH	$ 164,051.00
CI Infrastructure Development 17B	HIGH	$ 318,173.75
Clearance & Demolition 04	HIGH	$ 19,467.00
Section 108 Loan Repayment 19F	HIGH	$ 336,009.25
Sidewalks	HIGH	$ 15,186.10
	TOTAL	**$ 8,709,078.58**

HOME

Under the HOME Program, the County realized expenditures of $3,759,176. This figure represents a 14% increase over last year's expenditures of $3,217,646. This figure can be broken down as follows:

HOME INVESTMENT PARTNERSHIP PROGRAM		
Activity Type	**Expenditure $**	**Benefit**
Community Housing Development Organizations	1,702,962	45 new housing units created
Down Payment Assistance	167,630	26 families assisted with homeownership
Owner-Occupied Rehabilitation	1,600,623	44 families assisted
General Administration	287,961	

TOTAL HOME INVESTMENT	**$ 3,759,176**	

The County designated affordable housing and the related housing services as high priorities. Therefore, expenditures here coincide with the strategy outlined in the CPS.

Emergency Shelter Grant

Expenditures under the ESG Program totaled $372,151.85. A total of $19,967.98 was expended for administration, while service providers implementing the program utilized $352,183.87. This figure represents a decrease in spending in comparison to last year's expenditures, due to a grantee contract being terminated and funds reallocated to another grantee. Below is a breakdown by entity and activity of ESG expenditures during the reporting period:

EMERGENCY SHELTER GRANT PROGRAM		
Salvation Army		
Activity Type	**Expenditure$**	**Benefit (2 years)**
Homeless Prevention	13,141.05	140
Maintenance & Operations	95,201.75	2982 Overlap Count From Essentials
Essential Services	38,545.81	2982
American Red Cross		
Activity Type	**Expenditure$**	**Benefit**
Maintenance & Operations	25,013.00	256 People Served
Mujeres Unidas		
Activity Type	**Expenditure$**	**Benefit (2 years)**
Maintenance & Operations	140,247.82	3829
Essential Services	37,794.68	3829 Overlap Count From M&O
Homeless Coalition		
Activity Type	**Expenditure$**	**Benefit (2 years)**
Essential Services	2,239.76	208
General Administration		
General Administration	**Expenditure$**	**Benefit**
	19,967.98	
TOTAL EXPENSES	**$372,151.85**	

AI-11344 **11.F.**

Engineering svcs - W/S project - Weslaco
CC REGULAR

Date: 09/30/2008
Submitted By: Estella Webber, URBAN COUNTY
Department: URBAN COUNTY
Agenda Area: Urban County

Information

CAPTION

1. Requesting exemption from competitive bidding requirements under the Texas Local Government Code 262.024 (a)(4) for professional engineering services in connection with Hidalgo County Urban County Program from Program Year 21(2008) for a Water/Sewer Improvement Project in the City of Weslaco.
2. Presentation of the scoring grid of at least three (3) engineering firms from the County's approved "pool" as graded and evaluated by the City of Weslaco and Hidalgo County Purchasing Department for the purposes of ranking by CC in connection with an Urban County Program Water/Sewer Improvement Project in the City of Weslaco.
3. Authority to negotiate a professional engineering service contract with the No. 1 ranked firm of _____ for the provision of engineering services for an Urban County Program -City of Weslaco Water/Sewer Improvement project.

BACKGROUND

The City of Weslaco and the Hidalgo County Purchasing Department have evaluated and graded three engineering firms from the County's approved "pool". Raba-Kistner Consultants, Inc., L&G Engineering Laboratory, LLC, and S&B Infrastructure, Ltd. were the three firms. The Water/Sewer Improvements Project includes the up grading and installation of sewer lines, and street resurfacing improvement to the alley between Calle Las Palmas and Calle del Cedro From Torritos St. to Calle de Hidalgo.

(See attached grading grid for your review).

Fiscal Impact

FISCAL YEAR: **ACCT. #:** Urban Co. funds
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:
Urban Co. funds will be used.

Attachments

Link: engineering grading grid

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/24/2008 09:55 AM	APRV

2	Veronica Lopez	Veronica Lopez	09/24/2008 04:02 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:29 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Estella Webber Started On: 09/24/2008 09:07 AM

Final Approval Date: 09/26/2008

Hidalgo County – Urban County Program
City of Weslaco
Engineering Services
Water/Sewer Improvement Project
Grading Grid

CRITERIA	L & G Engineering Laboratory, LLC			Raba-Kistner Consultants, Inc.			S & B Infrastructure, Ltd.		
	Grader Weslaco	Grader Weslaco	Grader P. Dept.	Grader Weslaco	Grader Weslaco	Grader P. Dept.	Grader Weslaco	Grader Weslaco	Grader P. Dept.
Selection Criteria	17	10	20	18	10	20	17	10	18
Experience of Project Team	23	10	20	22	15	25	20	10	20
Experience/Availability of Project Manager	16	10	20	16	15	20	18	10	10
Understanding Projects	20	10	25	20	10	25	20	15	25
Familiarity w/Applicable Rules & Regulations	10	10	10	10	10	10	10	10	10
TOTALS	86	50	95	86	60	100	85	55	83
AVERAGES		77%			82%			74.3%	
RANKING		2			1			3	

AI-11342 **11.G.**

Material testing - City of Weslaco W/S Imp. project
CC REGULAR

Date: 09/30/2008
Submitted By: Estella Webber, URBAN COUNTY
Department: URBAN COUNTY
Agenda Area: Urban County

Information

CAPTION

1. Requesting exemption from competitive bidding requirements under the Texas Local Government Code 262.024 (a)(4) for Material Testing Services in connection with Hidalgo County Urban County Program from Program Year 21 (2008) for a Water/Sewer Improvement Project in the City of Weslaco.
2. Presentation of the scoring grid of at least three (3) engineering firms from the County's approved "pool" as graded and evaluated by the City of Weslaco and Hidalgo County Purchasing Department for the purpose of ranking by CC in connection with an Urban County Program Water/Sewer Improvement Project in the City of Weslaco.
3. Authority to negotiate a professional engineering service contract with the No. 1 ranked firm of _____ for the provision of Material Testing Services for an Urban County Program - City of Weslaco Water/Sewer Improvement project.

BACKGROUND

The City of Weslaco and the Hidalgo County Purchasing Department have evaluated and graded three firms from the County's approved "pool". Raba-Kistner Consultants, Inc., L&G Engineering Laboratory, LLC, and Professional Services Industries, Inc., were the three firms. The Water/Sewer Improvements Project includes the up grading and installation of sewer lines, and street resurfacing improvement to the alley between Calle Las Palmas and Calle del Cedro From Torritos St. to Calle de Hidalgo.

(See attached grading grid for your review).

Fiscal Impact

FISCAL YEAR: **ACCT. #:** Urban Co. funds
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:
Urban Co. funds will be used.

Attachments

Link: testing grading grid

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/24/2008 09:54 AM	APRV

2	Veronica Lopez	Veronica Lopez	09/24/2008 03:58 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:28 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Estella Webber Started On: 09/24/2008 08:58 AM

Final Approval Date: 09/26/2008

Hidalgo County – Urban County Program
City of Weslaco
Material Testing Services
Water/Sewer Improvement Project
Grading Grid

CRITERIA	L & G Engineering Laboratory, LLC			Professional Services Industries, Inc.			**Raba-Kistner Consultants, Inc.**		
	Grader Weslaco	Grader Weslaco	Grader P. Dept.	Grader Weslaco	Grader Weslaco	Grader P. Dept.	Grader Weslaco	Grader Weslaco	Grader P. Dept.
Selection Criteria	10	17	18	10	15	18	10	18	20
Experience of Project Team	15	20	20	20	20	25	15	23	20
Experience/Availability of Project Manager	10	16	10	10	15	20	10	18	20
Understanding Projects	10	20	25	10	20	25	10	20	25
Familiarity w/Applicable Rules & Regulations	10	10	10	10	10	10	10	10	10
TOTALS	55	83	83	60	80	98	55	89	95
AVERAGES		73.7%			79.3%			79.7%	
RANKING		3			2			1	

AI-11341 **11.H.**

Solar Lighting project - Pct. 1
CC REGULAR

Date: 09/30/2008
Submitted By: Estella Webber, URBAN COUNTY
Department: URBAN COUNTY
Agenda Area: Urban County

Information

CAPTION

1. Requesting exemption from competitive bidding requirements under the Texas Local Government Code 262.024 (a)(4) for professional engineering services in connection with Hidalgo County Urban County Program from Program Year 20 (2007) for a Street Improvements (Solar Light) Project in the Hidalgo County Precinct #1 area.
2. Presentation of the scoring grid (of at least three (3) engineering firms from the County's approved "pool" as graded and evaluated by Precinct No. 1, Urban County Program and Hidalgo County Purchasing Department for the purpose of ranking by CC in connection with an Urban County Program Street Improvements (Solar Light) Project in the Hidalgo County Precinct No. 1 area.
3. Authority to negotiate a professional engineering service contract with the No. 1 ranked firm of _____ for the provision of engineering services for a Hidalgo County Precinct No. 1 Street Improvements (Solar Light) project.

BACKGROUND

Hidalgo County Precinct #1, Urban County Program and the Hidalgo County Purchasing Department have evaluated and graded five engineering firms from the County's approved "pool". Javier Hinojosa Engineers, Inc. Rodriguez Engineering, DOS Logistics, KK Engineering Consultants, and TEDSI Infrastructure were the five firms. The Street Improvements (Solar Light) Project includes the purchase and installation of solar lighting for several Colonias located in the Precinct #1 area.

(See attached grading grid for your review).

Fiscal Impact

FISCAL YEAR: **ACCT. #:** Urban Co. Funds
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Urban Co. funds will be used.

Attachments

Link: Solar Light Project

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status

1	Budget & Management	Veronica Lopez	09/24/2008 08:03 AM	APRV
2	Veronica Lopez	Veronica Lopez	09/24/2008 03:17 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:25 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Estella Webber Started On: 09/23/2008 05:48 PM

Final Approval Date: 09/26/2008

Hidalgo County – Urban County Program
Precinct No. 1
Professional Engineering Services
Street Improvements (Solar Light) Project
(2007)
Grading Grid

CRITERIA	TEDSI Infrastructure Group			Javier Hinojosa Engineers, Inc.			**Rodriguez Engineering**			**DOS Logistics, Inc.**			**KK Engineering Consultants**		
	Grader Pct #1	Grader UCP	Grader P. Dept.	Grader Pct#1	Grader UCP	Grader P. Dept.	Grader Pct#1	Grader UCP	Grader P. Dept.	Grader Pct#1	Grader UCP	Grader P. Dept.	Grader Pct#1	Grader UCP	Grader P. Dept.
Selection Criteria	20	20	18	20	15	20	20	15	15	20	20	20	20	18	10
Experience of Project Team	25	24	19	25	20	25	25	20	15	25	22	20	23	23	15
Experience/Availability of Project Manager	20	19	15	19	18	20	20	19	20	20	17	20	19	18	20
Understanding Projects	24	25	25	22	23	25	23	23	20	22	23	25	24	22	5
Familiarity w/Applicable Rules & Regulations	10	10	10	8	10	10	10	10	10	10	10	10	9	9	10
TOTALS	99	98	87	94	86	100	98	87	80	97	92	95	95	90	60
AVERAGES		94.7%			93.3%			88.3%			94.7%			81.7%	
RANKING		1			3			4			2			5	

AI-11340 **11.I.**

Architectural svcs - City of Weslaco project
CC REGULAR

Date: 09/30/2008
Submitted By: Estella Webber, URBAN COUNTY
Department: URBAN COUNTY
Agenda Area: Urban County

Information

CAPTION

1. Requesting exemption from competitive bidding requirements under the Texas Local Government Code 262.024 (a)(4) for professional architectural services in connection with Hidalgo County Urban County Program from Program Year 21(2008) for a Public Facility Improvement Project in the City of Weslaco.
2. Presentation of the scoring grid (of at least three (3) architectural firms from the County's approved "pool" as graded and evaluated by the City of Weslaco and Hidalgo County Purchasing Department for the purpose of ranking by CC in connection with an Urban County Program - Public Facility Improvement Project in the City of Weslaco.
3. Authority to negotiate a professional engineering service contract with the No. 1 ranked firm of _____ for the provision of professional architectural services for an Urban County Program - City of Weslaco Public Facility Improvement project.

BACKGROUND

The City of Weslaco and the Hidalgo County Purchasing Department have evaluated and graded three firms from the County's approved "pool". Alcocer Garcia Associates Design Consulting, Reynaldo Vargas, Architect, and ERO International, LLP., were the three firms. The Public Facility Improvements Project consists of the improvements to the Existing City Museum building to be converted into a computer learning center which will be a part of the Weslaco Library.

(See attached grading grid for your review).

Fiscal Impact

FISCAL YEAR: **ACCT. #:** Urban Co. funds
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:
Urban Co. funds will be used.

Attachments

Link: grading grid

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/24/2008 08:03 AM	APRV

2	Veronica Lopez	Veronica Lopez	09/24/2008 03:57 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:22 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Estella Webber Started On: 09/23/2008 05:36 PM

Final Approval Date: 09/26/2008

Hidalgo County - Urban County Program
City of Weslaco
Architectural Services
Public Facility Improvement Project
Grading Grid

CRITERIA	Alcocer Garcia Associates Design Cons.			V-A Architecture			ERO International, LLP		
	Grader Weslaco	Grader Weslaco	Grader P. Dept.	Grader Weslaco	Grader Weslaco	Grader P. Dept.	Grader Weslaco	Grader Weslaco	Grader P. Dept.
Selection Criteria	15	5	18	15	5	20	18	8	15
Experience of Project Team	20	10	20	20	8	25	22	10	15
Experience/Availability of Project Manager	15	5	20	10	12	20	18	10	20
Understanding Projects	20	10	25	15	8	25	20	10	25
Familiarity w/Applicable Rules & Regulations	10	10	10	10	10	10	10	10	10
TOTALS	80	40	93	70	43	100	88	48	85
AVERAGES		71%			71%			73.7%	
RANKING		2			2			1	

AI-11421 **11.J.**

Surplus Assets
CC REGULAR

Date: 09/30/2008
Submitted By: Estella Webber, URBAN COUNTY
Department: URBAN COUNTY
Agenda Area: Urban County

Information

CAPTION

Presentation for discussion, consideration and action including, but not limited to the following items:
1. Request permission to declare the attached list as surplus assets.
2. Request permission to transfer the property to the County's surplus.

BACKGROUND

The equipment is outdated and or inoperable.

Fiscal Impact

FISCAL YEAR: **ACCT. #:**
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

No funding necessary for this item.

Attachments

Link: surplus assets listing

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 03:20 PM	APRV
2	Veronica Lopez	Veronica Lopez	09/26/2008 07:59 AM	APRV
3	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Estella Webber — Started On: 09/25/2008 02:25 PM

Final Approval Date: 09/26/2008

URBAN COUNTY PROGRAM
SURPLUS ASSET LIST
30-Sep-08

	ASSET NUMBER	DESCRIPTION OF ITEM	FUND NAME	COST	SERIAL NUMBER	CURRENT CONDITION
1.	1530	APC Back-up	CDBG	89.99	PB9732834811	Inoperable
2.	1534	APC Back-up	CDBG	89.99	PB9731818587	Inoperable
3.	1075	APC Back-up Office 250VA	CDBG	126.00	FB9738919524	Inoperable
4.	1077	APC Back-up Office 250VA	CDBG	126.00	FB9708643925	Inoperable
5.	3034	128MB 10GB Computer	CDBG	1,215.00	A810051A03330	Inoperable
6.	3008	128MB 10 GB Computer	CDBG	1,935.98	A810061A04617	Inoperable
7.	3009	128MB 10 GB Computer	CDBG	1,755.99	A810061A04626	Inoperable
8.	3011	128MB 10 GB Computer	CDBG	1,755.99	A810061A04625	Inoperable
9.	3442	CNET Network Switch, 32 Port	CDBG	817.00	ADJ1107000324	Inoperable
10.	1454	Computer Pentium II 266MHZ System	CDBG	7,995.00	107566	Inoperable
11.	4082	Brother Business Laser Fax Machine	CDBG	344.98	U60298B5J227137	Inoperable
12.	4216	Canon Fax Machine	CDBG	249.99	KLV39470	Inoperable
13.	1068	APC Back-up Office 250VA	CDBG	126.00	FB9709671732	Inoperable
14.	1688	Shredder	CDBG	580.00	JS00540	Inoperable
15.	3015	128MB 10GB Computer	CDBG	1,755.99	A810061A04606	Inoperable
16.	3849	Pentium 4 Computer	CDBG	1,009.98	N/A	Inoperable
17.	193	Modem	CDBG	499.00	N/A	Inoperable
18.	1054	APC Smart UPS 700XL	CDBG	507.25	FB9647198876	Inoperable
19.	168	Genicome 3840 Printer	CDBG	2,650.00	9227623542	Inoperable
20.	3019	HP 952C DeskJet Printer	CDBG	199.00	MY12A180KQ	Inoperable
21.	1055	APC Battery Pack	CDBG	228.37	FB9647198505	Inoperable
22.	4007	Netgear 24 Port Fast Ethernet	CDBG	151.53	JFS524	Inoperable
23.	3434	HP 940C DeskJet Printer	HOME	89.99	MX25Q1D1PH	Inoperable
24.	3605	HP Photosmart 7350 Printer	HOME	179.88	MY29H4504F	Inoperable
25.	3863	HP Inkjet 1100 Printer	HOME	199.98	CN44W2224H	Inoperable
26.	3433	HP 940C DeskJet Printer	HOME	89.99	MX25Q1D1PG	Inoperable
27.	1453	Calculator	HOME	55.25	T-0297B	Inoperable

AI-11371 12.A.

Photo Contest Winners

CC REGULAR

Date: 09/30/2008
Submitted By: Monica Badillo, BUDGET & MANAGEMENT
Submitted For: Cari Lambrecht
Department: BUDGET & MANAGEMENT
Agenda Area: County Judge's Office

Information

CAPTION

Presentation of winning images for 2008 Hidalgo County Photography Contest: "Hidalgo County: Past, Present and Future." Recognition of winners.

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:**
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

No fiscal impact.

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/24/2008 03:38 PM	APRV
2	Erika Reyna	Erika Reyna	09/25/2008 05:46 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 03:27 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Monica Badillo — Started On: 09/24/2008 03:26 PM

Final Approval Date: 09/26/2008

AI-11416 **12.B.**

County Judge's Office

CC REGULAR

Date:	09/30/2008
Submitted By:	Sandra De Leon, COUNTY JUDGE
Submitted For:	Sandra De Leon
Department:	COUNTY JUDGE
Agenda Area:	County Judge's Office

Information

CAPTION

1. Discussion, consideration, and possible action on the use of Family Protection Fee (Government Code Section 51.961) for the creation and funding of a Domestic Relations Office endorsed by the Hidalgo County Board of Judges; or in the alternative
2. Discussion, consideration, and possible action on the use of Family Protection Fee (Government Code Section 51.961) for contracting a private agency that can provide social services in accordance with the Family Code Section 107.

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:** 8-1100-341-10-090-011-0-000

FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Expenses will be covered by the Family Protection Fee.

Attachments

Link: statute

Link: Board of Judges Resolution

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 03:19 PM	APRV
2	Erika Reyna	Erika Reyna	09/26/2008 02:35 PM	APRV
3	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Sandra De Leon — Started On: 09/25/2008 01:35 PM

Final Approval Date: 09/26/2008

awarded attorney's fees in a case shall send the attorney's fees to the comptroller if any attorney representing any party involved in the case was paid in that case directly from funds from a grant made under this subchapter. The comptroller shall deposit the fees to the credit of the basic civil legal services account of the judicial fund for use in programs approved by the supreme court that provide basic civil legal services to the indigent.

Added by Acts 1997, 75th Leg., ch. 699, § 1, eff. Sept. 1, 1997. Renumbered from V.T.C.A., Government Code § 51.903 by Acts 1999, 76th Leg., ch. 62, § 19.01(28), eff. Sept. 1, 1999.

SUBCHAPTER M. ADDITIONAL FILING FEE FOR FAMILY PROTECTION

* We currently charge $15.00

§ 51.961. FAMILY PROTECTION FEE. (a) The commissioners court of a county shall adopt a family protection fee in an amount not to exceed $30.

(b) Except as provided by Subsection (c), the district clerk or county clerk shall collect the family protection fee at the time a suit for dissolution of a marriage under Chapter 6, Family Code, is filed. The fee is in addition to any other fee collected by the district clerk or county clerk.

(c) The clerk may not collect a fee under this section from a person who is protected by an order issued under:

(1) Subtitle B, Title 4, Family Code; or

(2) Article 17.292, Code of Criminal Procedure.

(d) The clerk shall pay one-half of the fee collected under this section to the appropriate officer of the county in which the suit is filed for deposit in the county treasury to the credit of the family protection account. The account may be used by the commissioners court of the county only to fund a service provider located in that county or an adjacent county. The commissioners court may provide funding to a nonprofit organization that provides services described by Subsection (e).

(e) A service provider who receives funds under Subsection (d) may provide family violence and child abuse prevention, intervention, family strengthening, mental health, counseling, legal, and marriage preservation services to families that are at risk of experiencing or that have experienced family violence or the abuse or neglect of a child.

(f) In this section, "family violence" has the meaning assigned by Section 71.004, Family Code.

(g) The clerk shall pay one-half of the fee collected under this section to the comptroller, who shall deposit the money to the credit of the child abuse and neglect prevention trust fund account established under Section 40.105, Human Resources Code.

Added by Acts 2003, 78th Leg., ch. 198, § 2.165(a), eff. Sept. 1, 2003. Amended by Acts 2005, 79th Leg., ch. 268, § 1.66, eff. Sept. 1, 2005.

AI-11416

RESOLUTION
Creation and Funding
DOMESTIC RELATIONS OFFICE

WHEREAS the Texas Family Code section 107.0511, enacted in 2007, requires that in a county with a population of more than 500,000, individuals appointed to conduct a social study be qualified to conduct such a study,

WHEREAS the Texas Family Code requires the individual appointed to conduct a social study to:

(1) have a bachelor's degree from an accredited college or university in a human services field of study and a license to practice in this state as a social worker, professional counselor, marriage and family therapist, or psychologist and:
   (A) have two years of full-time experience or equivalent part-time experience under professional supervision during which the individual performed functions involving the evaluation of physical, intellectual, social, and psychological functioning and needs and the potential of the social and physical environment, both present and prospective, to meet those needs; and
   (B) have participated in the performance of at least 10 court-ordered social studies under the supervision of an individual qualified under this section;
(2) meet the requirements of Subdivision (1)(A) and be practicing under the direct supervision of an individual qualified under this section in order to complete at least 10 court-ordered social studies under supervision; or
(3) be employed by a domestic relations office, provided that the individual conducts social studies relating only to families ordered by a court to participate in social studies conducted by the office;

WHEREAS Hidalgo County has a population of more than 500,000 and has no Domestic Relations Office in place;

BE IT THEREFORE RESOLVED that the Board of Judges supports the creation and funding of a Domestic Relations Office to be supervised by the District and County Courts at Law.

ADOPTED on this the 22nd day of May, 2008, by the Hidalgo County Board of Judges meeting in Edinburg, Texas.

JUDICIAL ENDORSEMENTS

We the undersigned members of the Hidalgo County Board of Judges hereby support the creation and funding of a Domestic Relations Office to be supervised by the District and County Courts at Law, and approve the Resolution attached hereto as Exhibit A.

Honorable Ricardo P. Rodriguez
92nd District Court Judge

Honorable Aida Salinas Flores
398th District Court Judge

Honorable Rodolfo "Rudy " Delgado
93rd District Court Judge

Honorable Thomas P. Wingate
430th District Court Judge

Honorable J. R. "Bobby" Flores
139th District Court Judge

Honorable Daniel G. Rios
449th District Court Judge

Honorable Rose Guerra Reyna
206th District Court Judge

Honorable Rodolfo "Rudy" Gonzalez
County Court at Law No. 1

Honorable Juan R. Partida
275th District Court Judge

Honorable Jaime "Jay" Palacios
County Court at Law No. 2

Honorable Mario E. Ramirez
332nd District Court Judge

Honorable Federico " Fred" Garza
County Court at Law No. 4

Honorable Noe Gonzalez
370th District Court Judge

Honorable Arnoldo Cantu
County Court at Law No. 5

Honorable Leticia López
389th District Court Judge

Honorable Albert Garcia
County Court at Law No. 6

AI-11398 **12.C.**

McAllen Development Corporation
CC REGULAR

Date: 09/30/2008
Submitted By: Roxanne De La Garza, COUNTY JUDGE
Department: COUNTY JUDGE
Agenda Area: County Judge's Office

Information

CAPTION

Request approval for the Development Corporation of McAllen, Inc. to construct a reservoir within Hidalgo County and outside of the city limits of McAllen, Texas.

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:**
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

No fiscal impact. Costs will be covered by the City of McAllen.

Attachments

Link: City of McAllen

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 02:52 PM	APRV
2	Erika Reyna	Erika Reyna	09/25/2008 04:13 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 04:01 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Roxanne De La Garza — Started On: 09/24/2008 05:04 PM

Final Approval Date: 09/26/2008

City of McAllen

RICHARD F. CORTEZ, Mayor
MARCUS C. BARRERA, Mayor Pro-Tem and Commissioner District 2
SCOTT CRANE, Commissioner District 1
HILDA SALINAS, Commissioner District 3
AIDA RAMIREZ, Commissioner District 4
JOHN J. INGRAM, Commissioner District 5
JIM DARLING, Commissioner District 6

MIKE R. PEREZ, City Manager

September 18, 2008

RECEIVED
SEP 19 2007
COUNTY JUDGE

J.D. Salinas III
Hidalgo County Judge
P.O. Box 1356
Edinburg, Texas 78540

RE: Relocation of Boeye Reservoir

Dear Judge Salinas:

The City of McAllen, Texas is in the planning and design stages for relocation of the existing Boeye raw water Reservoir to a new site currently outside the McAllen city limits. The legal description for the 120 acre site is a portion of Lots 4, 5, and 6, Section 5, Hidalgo Canal Company.

The project is proposed to be funded by the Water Assistance Fund (WAF) D fund project No. 21621 from the Texas Water Development Board, the Development Corporation of McAllen, Inc., and a Department of Interior Water 2025 Challenge grant.

The total cost of the project is estimated to be $19,422,060 and would be completed over the next four years. The Consulting Engineer is Mr. Alan Booe, P.E. of Melden & Hunt. The site is currently owned by the City of McAllen and is not located within the city limits of McAllen.

The Development Corporation of McAllen, Inc. plans to consider this project for approval at its meeting of October 20, 2008. Section 23 (a) 1 of the Development Corporation Act provides that an economic development corporation may undertake projects outside of the city limits with permission of the governing body that has jurisdiction over the property.

Please use this letter as an official request from the Development Corporation of McAllen, Inc. for permission by the Hidalgo County Commissioner's Court to expend funds for this project within Hidalgo County. We would like approval by the County prior to Monday, October 20, 2008.

Please let me or Deputy City Manager Brent Branham know the date of the County meeting for this proposed approval, or if you need additional information for this request by calling (956) 681-1005.

Sincerely,

Mike R. Perez
City Manager & Executive Director of Development Corporation of McAllen, Inc.

cc: Mayor & City Commission
Roel Rodriguez, Assistant City Manager/Public Utilities Director
Kevin Pagan, City Attorney

Encls.: Site Map

AI-11425 **13.A.**

Approval of State Contract
CC REGULAR

Date: 09/30/2008
Submitted By: Margarita Gonzalez, WIC
Submitted For: Norma L. Longoria, WIC Director
Department: WIC
Agenda Area: WIC

Information

CAPTION

Approval of contract between DSHS and Hidalgo County for the provision of WIC Services from October 1, 2008 to September 30, 2009.

BACKGROUND

Rate per participant is $10.45

Remainder of State Contract will be forwarded to Budget Office.

Fiscal Impact

FISCAL YEAR: **ACCT. #:**
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

No funding required.

Attachments

Link: 2009 State Contract
Link: Contract

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/26/2008 07:44 AM	APRV
2	Erika Reyna	Erika Reyna	09/26/2008 10:07 AM	APRV
3	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Margarita Gonzalez — Started On: 09/25/2008 02:51 PM

Final Approval Date: 09/26/2008

DEPARTMENT OF STATE HEALTH SERVICES

This contract, number 2009-030087 (Contract), is entered into by and between the Department of State Health Services (DSHS or the Department), an agency of the State of Texas, and HIDALGO COUNTY HEALTH AND HUMAN SERVICES (Contractor), a Government Entity, (collectively, the Parties).

1. **Purpose of the Contract.** DSHS agrees to purchase, and Contractor agrees to provide, services or goods to the eligible populations as described in the Program Attachments.

2. **Total Amount of the Contract and Payment Method(s).** The total amount of this Contract is $0.00, and the payment method(s) shall be as specified in the Program Attachments.

3. **Funding Obligation.** This Contract is contingent upon the continued availability of funding. If funds become unavailable through lack of appropriations, budget cuts, transfer of funds between programs or health and human services agencies, amendment to the Appropriations Act, health and human services agency consolidation, or any other disruptions of current appropriated funding for this Contract, DSHS may restrict, reduce, or terminate funding under this Contract.

4. **Term of the Contract.** This Contract begins on 10/01/2008 and ends on 09/30/2009. DSHS has the option, in its sole discretion, to renew the Contract as provided in each Program Attachment. DSHS is not responsible for payment under this Contract before both parties have signed the Contract or before the start date of the Contract, whichever is later.

5. **Authority.** DSHS enters into this Contract under the authority of Health and Safety Code, Chapter 1001.

6. **Documents Forming Contract.** The Contract consists of the following:

   a. Core Contract (this document)
   b. Program Attachments:

      2009-030087-001 NSS-WIC LOCAL AGENCY-NOIMM

   c. General Provisions (Sub-recipient)
   d. Solicitation Document(s), and
   e. Contractor's response(s) to the Solicitation Document(s).
   f. Exhibits

Any changes made to the Contract, whether by edit or attachment, do not form part of the Contract unless expressly agreed to in writing by DSHS and Contractor and incorporated herein.

7. **Conflicting Terms.** In the event of conflicting terms among the documents forming this Contract, the order of control is first the Core Contract, then the Program Attachment(s), then the General Provisions, then the Solicitation Document, if any, and then Contractor's response to the Solicitation Document, if any.

8. **Payee.** The Parties agree that the following payee is entitled to receive payment for services rendered by Contractor or goods received under this Contract:

Name: HIDALGO COUNTY
Address: HIDALGO COUNTY TREASURER C/O N COURTHOUSE ANNEX BUILDING
EDINBURG, TX 78539
Vendor Identification Number: 17460007176037

9. **Entire Agreement.** The Parties acknowledge that this Contract is the entire agreement of the Parties and that there are no agreements or understandings, written or oral, between them with respect to the subject matter of this Contract, other than as set forth in this Contract.

By signing below, the Parties acknowledge that they have read the Contract and agree to its terms, and that the persons whose signatures appear below have the requisite authority to execute this Contract on behalf of the named party.

DEPARTMENT OF STATE HEALTH SERVICES	HIDALGO COUNTY HEALTH AND HUMAN SERVICES
By:_____ Signature of Authorized Official	By:_____ Signature
_____ Date	_____ Date
Evelyn Delgado	_____ Printed Name and Title
Assistant Commissioner for Family and Community Health Services	_____ Address
1100 WEST 49TH STREET AUSTIN, TEXAS 78756	_____ City, State, Zip
512.458.7321	_____ Telephone Number
Evelyn.Delgado@dshs.state.tx.us	_____ E-mail Address for Official Correspondence

DEPARTMENT OF STATE HEALTH SERVICES

This contract, number 2009-030087 (Contract), is entered into by and between the Department of State Health Services (DSHS or the Department), an agency of the State of Texas, and HIDALGO COUNTY HEALTH AND HUMAN SERVICES (Contractor), a Government Entity, (collectively, the Parties).

1. **Purpose of the Contract.** DSHS agrees to purchase, and Contractor agrees to provide, services or goods to the eligible populations as described in the Program Attachments.

2. **Total Amount of the Contract and Payment Method(s).** The total amount of this Contract is $0.00, and the payment method(s) shall be as specified in the Program Attachments.

3. **Funding Obligation.** This Contract is contingent upon the continued availability of funding. If funds become unavailable through lack of appropriations, budget cuts, transfer of funds between programs or health and human services agencies, amendment to the Appropriations Act, health and human services agency consolidation, or any other disruptions of current appropriated funding for this Contract, DSHS may restrict, reduce, or terminate funding under this Contract.

4. **Term of the Contract.** This Contract begins on 10/01/2008 and ends on 09/30/2009. DSHS has the option, in its sole discretion, to renew the Contract as provided in each Program Attachment. DSHS is not responsible for payment under this Contract before both parties have signed the Contract or before the start date of the Contract, whichever is later.

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6. **Documents Forming Contract.** The Contract consists of the following:

   a. Core Contract (this document)
   b. Program Attachments:

      2009-030087-001 NSS-WIC LOCAL AGENCY-NOIMM

   c. General Provisions (Sub-recipient)
   d. Solicitation Document(s), and
   e. Contractor's response(s) to the Solicitation Document(s).
   f. Exhibits

Any changes made to the Contract, whether by edit or attachment, do not form part of the Contract unless expressly agreed to in writing by DSHS and Contractor and incorporated herein.

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8. **Payee.** The Parties agree that the following payee is entitled to receive payment for services rendered by Contractor or goods received under this Contract:

Name: HIDALGO COUNTY
Address: HIDALGO COUNTY TREASURER C/O N COURTHOUSE ANNEX BUILDING
EDINBURG, TX 78539
Vendor Identification Number: 17460007176037

9. **Entire Agreement.** The Parties acknowledge that this Contract is the entire agreement of the Parties and that there are no agreements or understandings, written or oral, between them with respect to the subject matter of this Contract, other than as set forth in this Contract.

By signing below, the Parties acknowledge that they have read the Contract and agree to its terms, and that the persons whose signatures appear below have the requisite authority to execute this Contract on behalf of the named party.

DEPARTMENT OF STATE HEALTH SERVICES	HIDALGO COUNTY HEALTH AND HUMAN SERVICES
By:_____ Signature of Authorized Official	By:_____ Signature
_____ Date	_____ Date
Evelyn Delgado	_____ Printed Name and Title
Assistant Commissioner for Family and Community Health Services	_____ Address
1100 WEST 49TH STREET AUSTIN, TEXAS 78756	_____ City, State, Zip
512.458.7321	_____ Telephone Number
Evelyn.Delgado@dshs.state.tx.us	_____ E-mail Address for Official Correspondence

Fiscal Year 2009 Department of State Health Services Contract
General Provisions
(Core/Subrecipient)

TABLE OF CONTENTS

ARTICLE I COMPLIANCE AND REPORTING 1

Section 1.01 Compliance with Statutes and Rules 1
Section 1.02 Compliance with Requirements of Solicitation Document. 1
Section 1.03 Reporting. 1
Section 1.04 Client Eligibility. 1
Section 1.05 Applicable Contracts Law and Venue for Disputes 1
Section 1.06 Applicable Laws and Regulations Regarding Funding Sources. 1
Section 1.07 Statutes and Standards of General Applicability. 2
Section 1.08 Applicability of General Provisions to Interagency and Interlocal Contracts.. 4
Section 1.09 Civil Rights Policies and Complaints. 5

ARTICLE II SERVICES 5

Section 2.01 Education to Persons in Residential Facilities 5
Section 2.02 Disaster Services 5
Section 2.03 Consent to Medical Care of a Minor 5
Section 2.04 Telemedicine Medical Services. 6
Section 2.05 Fees for Personal Health Services. 6
Section 2.06 Cost Effective Purchasing of Medications. 6
Section 2.07 Services and Information for Persons with Limited English Proficiency. 6

ARTICLE III FUNDING 7

Section 3.01 Debt to State and Corporate Status. 7
Section 3.02 Application of Payment Due. 7
Section 3.03 Use of Funds. 7
Section 3.04 Use for Match Prohibited. 7
Section 3.05 Program Income 7
Section 3.06 Nonsupplanting. 8

ARTICLE IV PAYMENT METHODS AND RESTRICTIONS 8

Section 4.01 Payment Methods 8
Section 4.02 Billing Submission 8
Section 4.03 Final Billing Submission 8
Section 4.04 Working Capital Advance 8
Section 4.05 Financial Status Reports (FSRs) 9
Section 4.06 Third Party Payors. 9

ARTICLE V TERMS AND CONDITIONS OF PAYMENT 9

Section 5.01 Prompt Payment. 9
Section 5.02 Withholding Payments. 9
Section 5.03 Condition Precedent to Requesting Payment 10

Section 5.04 Acceptance as Payment in Full. 10
Section 5.05 No Fee or Profit. 10

ARTICLE VI ALLOWABLE COSTS AND AUDIT REQUIREMENTS 10

Section 6.01 Allowable Costs. 10
Section 6.02 Independent Single or Program-Specific Audit. 11
Section 6.03 Submission of Audit. 12

ARTICLE VII CONFIDENTIALITY 12

Section 7.01 Maintenance of Confidentiality. 12
Section 7.02 Department Access to PHI and Other Confidential Information. 12
Section 7.03 Exchange of Client-Identifying Information. 12
Section 7.04 Security of Patient or Client Records 13
Section 7.05 HIV/AIDS Model Workplace Guidelines. 13

ARTICLE VIII RECORDS RETENTION 13

Section 8.01 Retention. 13

ARTICLE IX ACCESS AND INSPECTION 14

Section 9.01 Access. 14
Section 9.02 State Auditor's Office. 14
Section 9.03 Responding to Deficiencies 14

ARTICLE X NOTICE REQUIREMENTS 14

Section 10.01 Child Abuse Reporting Requirement 14
Section 10.02 Significant Incidents. 15
Section 10.03 Litigation 15
Section 10.04 Action Against the Contractor 15
Section 10.05 Insolvency. 15
Section 10.06 Misuse of Funds 15
Section 10.07 Criminal Activity and Disciplinary Action 16
Section 10.08 Retaliation Prohibited. 16
Section 10.09 Documentation. 16

ARTICLE XI ASSURANCES AND CERTIFICATIONS 16

Section 11.01 Certification. 16
Section 11.02 Child Support Delinquencies. 17
Section 11.03 Authorization 17
Section 11.04 Gifts and Benefits Prohibited 18
Section 11.05 Ineligibility to Receive the Contract 18
Section 11.06 Antitrust. 18
Section 11.07 Initiation and Completion of Work 18

ARTICLE XII GENERAL BUSINESS OPERATIONS OF CONTRACTOR 18

Section 12.01 Responsibilities and Restrictions Concerning Governing Board, Officers and Employees. 18
Section 12.02 Management and Control Systems 19

Section 12.03	Insurance.	20
Section 12.04	Fidelity Bond.	20
Section 12.05	Liability Coverage.	20
Section 12.06	Overtime Compensation.	20
Section 12.07	Program Site.	20
Section 12.08	Cost Allocation Plan.	20
Section 12.09	Reporting for Unit Rate and Fee For Service Contracts.	21
Section 12.10	Historically Underutilized Businesses (HUBs).	21
Section 12.11	Buy Texas.	21
Section 12.12	Contracts with Subrecipient Subcontractors.	21
Section 12.13	Status of Subcontractors.	22
Section 12.14	Incorporation of Terms.	22
Section 12.15	Independent Contractor.	22
Section 12.16	Authority to Bind.	22
Section 12.17	Tax Liability.	22
Section 12.18	Notice of Organizational Change.	23
Section 12.19	Quality Management.	23
Section 12.20	Equipment (Including Controlled Assets) Purchases.	23
Section 12.21	Supplies.	23
Section 12.22	Changes to Equipment List.	23
Section 12.23	Property Inventory and Protection of Assets.	23
Section 12.24	Bankruptcy.	24
Section 12.25	Title to Property.	24
Section 12.26	Property Acquisitions.	24
Section 12.27	Disposition of Property.	24
Section 12.28	Closeout of Equipment.	24
Section 12.29	Assets as Collateral Prohibited.	24
ARTICLE XIII	GENERAL TERMS	25
Section 13.01	Assignment.	25
Section 13.02	Lobbying.	25
Section 13.03	Conflict of Interest.	25
Section 13.04	Transactions Between Related Parties.	25
Section 13.05	Intellectual Property.	26
Section 13.06	Other Intangible Property.	27
Section 13.07	Severability and Ambiguity.	27
Section 13.08	Legal Notice.	27
Section 13.09	Successors.	27
Section 13.10	Headings.	27
Section 13.11	Parties.	27
Section 13.12	Survivability of Terms.	27
Section 13.13	Direct Operation.	27
Section 13.14	Customer Service Information.	28
Section 13.15	Amendment.	28
Section 13.16	Contractor's Notification of Change to Certain Contract Provisions.	28
Section 13.17	Contractor's Request for Revision of Certain Contract Provisions.	28
Section 13.18	Immunity Not Waived.	29

Section 13.19	Hold Harmless and Indemnification.	29
Section 13.20	Waiver.	29
Section 13.21	Technology Accessibility.	29
ARTICLE XIV	BREACH OF CONTRACT AND REMEDIES FOR NON-COMPLIANCE...	30
Section 14.01	Actions Constituting Breach of Contract.	30
Section 14.02	General Remedies and Sanctions.	30
Section 14.03	Notice of Remedies or Sanctions.	32
Section 14.04	Emergency Action.	33
ARTICLE XV	CLAIMS AGAINST THE DEPARTMENT	33
Section 15.01	Breach of Contract Claim.	33
Section 15.02	Notice.	33
Section 15.03	Sole Remedy.	34
Section 15.04	Condition Precedent to Suit.	34
Section 15.05	Performance Not Suspended.	34
ARTICLE XVI	TERMINATION	34
Section 16.01	Expiration of Contract or Program Attachment(s).	34
Section 16.02	Effect of Termination.	34
Section 16.03	Acts Not Constituting Termination.	34
Section 16.04	Termination Without Cause.	35
Section 16.05	Termination For Cause.	35
Section 16.06	Notice of Termination.	36
ARTICLE XVII	VOID, SUSPENDED, AND TERMINATED CONTRACTS	36
Section 17.01	Void Contracts.	36
Section 17.02	Effect of Void, Suspended, or Involuntarily Terminated Contract.	36
Section 17.03	Appeals Rights	37
ARTICLE XVIII	CLOSEOUT AND CONTRACT RECONCILIATION	37
Section 18.01	Cessation of Services At Closeout	37
Section 18.02	Administrative Offset.	37
Section 18.03	Deadline for Closeout.	37
Section 18.04	Payment of Refunds.	37
Section 18.05	Disallowances and Adjustments.	37
Section 18.06	Contract Reconciliation.	37

Fiscal Year 2009 Department of State Health Services Contract
General Provisions
(Core/Subrecipient)

ARTICLE I COMPLIANCE AND REPORTING

Section 1.01 **Compliance with Statutes and Rules.** Contractor shall comply, and shall require its subcontractor(s) to comply, with the requirements of the Department's rules of general applicability and other applicable state and federal statutes, regulations and rules as such statutes, regulations and rules currently exist and as they may be lawfully amended. The Department rules are located in the Texas Administrative Code, Title 25 (Rules). To the extent this Contract imposes a higher standard, or additional requirements beyond those required by applicable statutes, regulations or the Rules, the terms of this Contract shall control.

Section 1.02 **Compliance with Requirements of Solicitation Document.** Except as specified in these General Provisions or the Program Attachment(s), Contractor shall comply with the requirements, eligibility conditions, assurances, certifications and program requirements of the Solicitation Document, if any, (including any revised or additional terms agreed to in writing by Contractor and DSHS prior to execution of this Contract) for the duration of this Contract or any subsequent renewals. The Parties agree that the Department has relied upon the Contractor's response to the Solicitation Document. The Parties agree that any misrepresentation contained in the Contractor's response to the Solicitation Document shall constitute a breach of this Contract.

Section 1.03 **Reporting.** Contractor shall submit reports in accordance with the reporting requirements established by the Department and shall provide any other information requested by the Department in the format required by DSHS. Failure to submit a required report or additional requested information by the due date specified in the Program Attachment(s) or upon request constitutes a breach of contract, may result in delayed payment and/or the imposition of sanctions and remedies, and, if appropriate, emergency action; and may adversely affect evaluation of Contractor's future contracting opportunities with the Department.

Section 1.04 **Client Eligibility.** Where applicable, Contractor shall use financial eligibility criteria, financial assessment procedures and standards developed by the Department to determine client eligibility.

Section 1.05 **Applicable Contracts Law and Venue for Disputes.** Regarding all issues related to contract formation, performance, interpretation, and any issues that may arise in any dispute between the Parties, this Contract shall be governed by, and construed in accordance with, the laws of the State of Texas. In the event of a dispute between the Parties, venue for any suit shall be Travis County, Texas.

Section 1.06 **Applicable Laws and Regulations Regarding Funding Sources.** Where applicable, federal statutes and regulations, including federal grant requirements applicable to funding sources, shall apply to this Contract. Contractor agrees to comply with applicable laws, executive orders, regulations and policies as well as Office of Management and Budget (OMB) Circulars, the Uniform Grant and Contract Management Act of 1981 (UGMA), Tex. Gov. Code Chapter 783, as amended, and Uniform Grant Management Standards (UGMS), as amended, by revised federal circulars and incorporated in UGMS by the Governor's Budget, Planning and Policy Division. UGMA is located on the Internet at http://tlo2.tlc.state.tx.us/statutes/statutes.html; the UGMS are located on the

Internet at http://www.governor.state.tx.us/divisions/stategrants/guidelines/files/UGMS062004.doc. Contractor also shall comply with all applicable federal and state assurances contained in UGMS, Part III, State Uniform Administrative Requirements for Grants and Cooperative Agreements §__.14. If applicable, Contractor shall comply with the Federal awarding agency's Common Rule, as specified on the Internet at http://whitehouse.gov/omb/grants/chart.html, and the U.S. Health and Human Services Grants Policy Statement located on the Internet at http://www.hhs.gov/grantsnet/docs/HHSGPS_107.doc. For contracts funded by block grants, Contractor shall comply with Tex. Gov. Code Chapter 2105.

Section 1.07 **Statutes and Standards of General Applicability.** It is Contractor's responsibility to review and comply with all applicable statutes, rules, regulations, executive orders and policies. To the extent applicable to Contractor, Contractor agrees to comply with the following:

a) the following statutes, rules, regulations, and DSHS policy (and any of their subsequent amendments) that collectively prohibit discrimination on the basis of race, color, national origin, limited English proficiency, sex, sexual orientation (where applicable), disabilities, age, substance abuse, political belief or religion: 1) Title VI of the Civil Rights Act of 1964, 42 USCA §§ 2000d et seq.; 2) Title IX of the Education Amendments of 1972, 20 USCA §§ 1681-1683, and 1685-1686; 3) Section 504 of the Rehabilitation Act of 1973, 29 USCA § 794(a); 4) the Americans with Disabilities Act of 1990, 42 USCA §§ 12101 et seq.; 5) Age Discrimination Act of 1975, 42 USCA §§ 6101-6107; 6) Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, 42 USCA § 290dd (b)(1); 7) 45 CFR Parts 80, 84, 86 and 91; 8) U.S. Department of Labor, Equal Employment Opportunity E.O. 11246, as amended and supplemented; 9) Tex. Lab. Code Chapter 21; 10) Food Stamp Act of 1977 (7 USC § 200 et seq.; 11) Executive Order 13279, 45 CFR Part 87 or 7 CFR Part 16 regarding equal treatment and opportunity for religious organizations; and 12) DSHS Policy AA-5018, Non-discrimination Policy for DSHS Programs;
b) Drug Abuse Office and Treatment Act of 1972, 21 USCA §§ 1101 et seq., relating to drug abuse;
c) Public Health Service Act of 1912, §§ 523 and 527, 42 USCA § 290dd-2, and 42 CFR Part 2, relating to confidentiality of alcohol and drug abuse patient records;
d) Title VIII of the Civil Rights Act of 1968, 42 USCA §§ 3601 et seq., relating to nondiscrimination in housing;
e) Immigration Reform and Control Act of 1986, 8 USCA § 1324a, regarding employment verification;
f) Pro-Children Act of 1994, 20 USCA §§ 6081-6084, regarding the non-use of all tobacco products;
g) National Research Service Award Act of 1971, 42 USCA §§ 289a-1 et seq., and 6601 (PL 93-348 and PL 103-43), as amended, regarding human subjects involved in research;
h) Hatch Political Activity Act, 5 USCA §§ 1501-1508 and 7321-26, which limits the political activity of employees whose employment is funded with federal funds;
i) Fair Labor Standards Act, 29 USCA §§ 201 et seq., and the Intergovernmental Personnel Act of 1970, 42 USCA §§ 4701 et seq., as applicable, concerning minimum wage and maximum hours;
j) Tex. Gov. Code Chapter 469, pertaining to eliminating architectural barriers for persons with disabilities;

k) Texas Workers' Compensation Act, Tex. Lab. Code, Chapters 401-406 and 28 Tex. Admin. Code Part 2, regarding compensation for employees' injuries;
l) The Clinical Laboratory Improvement Amendments of 1988, 42 USC § 263a, regarding the regulation and certification of clinical laboratories;
m) The Occupational Safety and Health Administration Regulations on Blood Borne Pathogens, 29 CFR § 1910.1030, or Title 25 Tex. Admin. Code Chapter 96 regarding safety standards for handling blood borne pathogens;
n) Laboratory Animal Welfare Act of 1966, 7 USC §§ 2131 et seq., pertaining to the treatment of laboratory animals;
o) environmental standards pursuant to the following: 1) Institution of environmental quality control measures under the National Environmental Policy Act of 1969, 42 USC §§ 4321-4347 and Executive Order 11514 (35 Fed. Reg. 4247), "Protection and Enhancement of Environmental Quality;" 2) Notification of violating facilities pursuant to Executive Order 11738 (40 CFR Part 32), "Providing for Administration of the Clean Air Act and the Federal Water Pollution Control Act with respect to Federal Contracts, Grants, or Loans;" 3) Protection of wetlands pursuant to Executive Order 11990, 42 Fed. Reg. 26961; 4) Evaluation of flood hazards in floodplains in accordance with Executive Order 11988, 42 Fed. Reg. 26951 and, if applicable, flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (PL 93-234); 5) Assurance of project consistency with the approved State Management program developed under the Coastal Zone Management Act of 1972, 16 USC §§ 1451 et seq.; 6) Federal Water Pollution Control Act, 33 USC §1251 et seq.; 7) Protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, 42 USC §§ 300f-300j; 8) Protection of endangered species under the Endangered Species Act of 1973, 16 USC §§ 1531 et seq.; 9) Conformity of federal actions to state clean air implementation plans under the Clean Air Act of 1955, 42 USC §7401 et seq.; 10) Wild and Scenic Rivers Act of 1968 (16 USC §§ 1271 et seq.) related to protecting certain rivers system; and 11) Lead-Based Paint Poisoning Prevention Act (42 USC §§ 4801 et seq.) prohibiting the use of lead-based paint in residential construction or rehabilitation;
p) Intergovernmental Personnel Act of 1970 (42 USC §§4278-4763) regarding personnel merit systems for programs specified in Appendix A of the federal Office of Program Management's Standards for a Merit System of Personnel Administration (5 CFR Part 900, Subpart F);
q) Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (PL 91-646), relating to fair treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs;
r) Davis-Bacon Act (40 USC §§ 276a to 276a-7), the Copeland Act (40 U.S.C. § 276c and 18 USC § 874), and the Contract Work Hours and Safety Standards Act (40 USC §§ 327-333), regarding labor standards for federally-assisted construction subagreements;
s) National Historic Preservation Act of 1966, §106 (16 USC § 470), Executive Order 11593, and the Archaeological and Historic Preservation Act of 1974 (16 USC §§ 469a-1 et seq.) regarding historic property to the extent necessary to assist DSHS in complying with the Acts;
t) financial and compliance audits in accordance with Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations;" and

u) requirements of any other applicable state and federal statutes, executive orders, regulations, rules and policies.

If this Contract is funded by a grant or cooperative agreement, additional state or federal requirements found in the Notice of Grant Award are imposed on Contractor and incorporated herein by reference.

Section 1.08 **Applicability of General Provisions to Interagency and Interlocal Contracts.** Certain sections or portions of sections of these General Provisions shall not apply to Contractors that are State agencies or units of local government; and certain additional provisions shall apply to such Contractors.

a) The following sections or portions of sections of these General Provisions shall not apply to interagency or interlocal contracts:
   1) Hold Harmless and Indemnification, Section 13.19;
   2) Independent Contractor, Section 12.15 (delete the third sentence in its entirety; delete the word "employees" in the fourth sentence; the remainder of the section applies);
   3) Insurance, Section 12.03;
   4) Liability Coverage, Section 12.05;
   5) Fidelity Bond, Section 12.04;
   6) Historically Underutilized Businesses, Section 12.10 (Contractor, however, shall comply with HUB requirements of other statutes and rules specifically applicable to that entity);
   7) Debt to State and Corporate Status, Section 3.01;
   8) Application of Payment Due, Section 3.02; and
   9) Article XV Claims against the Department (This Article is inapplicable to interagency contracts only).

b) The following additional provisions shall apply to interagency contracts:
   1) This Contract is entered into pursuant to the authority granted and in compliance with the provisions of the Interagency Cooperation Act, Tex. Gov. Code Chapter 771.
   2) The Parties hereby certify that (1) the services specified are necessary and essential for the activities that are properly within the statutory functions and programs of the affected agencies of State government; (2) the proposed arrangements serve the interest of efficient and economical administration of the State government; and (3) the services, supplies or materials contracted for are not required by Section 21 of Article 16 of the Constitution of the State of Texas to be supplied under contract given to the lowest responsible bidder.
   3) DSHS certifies that it has the authority to enter into this Contract granted in Tex. Health & Safety Code Chapter 1001, and Contractor certifies that it has specific statutory authority to enter into and perform this Contract.

c) The following additional provisions shall apply to interlocal contracts:
   1) This Contract is entered into pursuant to the authority granted and in compliance with the provisions of the Interlocal Cooperation Act, Tex. Gov. Code Chapter 791.
   2) Payments made by DSHS to Contractor shall be from current revenues available to DSHS.
   3) Each Party represents that it has been authorized to enter into this Contract.

d) Contractor agrees that Contract Revision Requests, when signed by a duly authorized representative of Contractor, shall be effective as of the effective date specified by the

Department, whether that date is prior to or after the date of any ratification by Contractor's governing board.

Section 1.09 **Civil Rights Policies and Complaints.** Upon request, Contactor shall provide the Health and Human Services Commission (HHSC) Civil Rights Office with copies of all Contractor's civil rights policies and procedures. Contractor must notify HHSC's Office of Civil Rights of any civil rights complaints received relating to performance under this Contract no more than ten (10) calendar days after Contractor's receipt of the claim. Notice must be directed to –

HHSC Civil Rights Office
701 W. 51st St., Mail Code W206
Austin, Texas 78751
Toll-free phone (888) 388-6332
Phone (512) 438-4313
TTY Toll-free (877) 432-7232
Fax (512) 438-5885

ARTICLE II SERVICES

Section 2.01 **Education to Persons in Residential Facilities.** If applicable, Contractor shall ensure that all persons, who are housed in Department licensed and/or funded residential facilities and who are twenty-two (22) years of age or younger, have access to educational services as required by Tex. Educ. Code § 29.012. Contractor shall notify the local education agency or local early intervention program as prescribed by Tex. Educ. Code § 29.012 not later than the third calendar day after the date a person who is twenty-two (22) years of age or younger is placed in Contractor's residential facility.

Section 2.02 **Disaster Services.**
In the event of a local, state, or federal emergency, including natural, man-made, criminal, terrorist, and/or bioterrorism events, declared as a state disaster by the Governor, or a federal disaster by the appropriate federal official, Contractor may be called upon to assist DSHS in providing services, as appropriate, in the following areas: community evacuation; health and medical assistance; assessment of health and medical needs; health surveillance; medical care personnel; health and medical equipment and supplies; patient evacuation; in-hospital care and hospital facility status; food, drug, and medical device safety; worker health and safety; mental health and substance abuse; public health information; vector control and veterinary services; and victim identification and mortuary services. Disaster services shall be carried out in the manner most responsive to the needs of the emergency, be cost effective, and be least intrusive on the primary services of the Contractor.

Section 2.03 **Consent to Medical Care of a Minor.** If Contractor provides medical, dental, psychological or surgical treatment to a minor under this Contract, either directly or through contracts with subcontractors, the treatment of a minor shall be provided only if informed consent to treatment is obtained pursuant to Tex. Fam. Code, Chapter 32 relating to consent to treatment of a child by a

non-parent or child or pursuant to other state law. If requirements of federal law relating to consent directly conflict with Tex. Fam. Code Chapter 32, federal law shall supersede state law.

Section 2.04 **Telemedicine Medical Services.** Contractor shall ensure that if a provider uses telemedicine/telepsychiatry that the services are implemented in accordance with written procedures and using protocol approved by the Contractor's medical director and utilizing equipment that complies with the equipment standards as required by the Department. Procedures of telemedicine service provision must include the following requirements:

a) clinical oversight by the Contractor's medical director or designated physician responsible for medical leadership;
b) contraindication considerations for telemedicine use;
c) qualified staff members to ensure the safety of the individual being served by telemedicine at the remote site;
d) safeguards to ensure confidentiality and privacy in accordance with state and federal laws;
e) use by credentialed licensed providers providing clinical care within the scope of their licenses;
f) demonstrated competency in the operations of the system by all staff members who are involved in the operation of the system and provision of the services prior to initiating the protocol;
g) priority in scheduling the system for clinical care of individuals;
h) quality oversight and monitoring of satisfaction of the individuals served; and
i) management of information and documentation for telemedicine services that ensures timely access to accurate information between the two sites.

Telemedicine Medical Services does not include chemical dependency treatment services provided by electronic means under Rule § 448.911.

Section 2.05 **Fees for Personal Health Services.** Contractor may develop a system and schedule of fees for personal health services in accordance with the provisions of Tex. Health & Safety Code § 12.032, DSHS Rule §1.91 covering Fees for Personal Health Services, and other applicable laws or grant requirements. The amount of a fee shall not exceed the actual cost of providing the services. No patient may be denied a service due to inability to pay.

Section 2.06 **Cost Effective Purchasing of Medications.** If medications are funded under this Contract, Contractor shall make needed medications available to clients at the lowest possible prices and use the most cost effective medications purchasing arrangement possible.

Section 2.07 **Services and Information for Persons with Limited English Proficiency.** Contractor agrees to take reasonable steps to provide services and information both orally and in writing, in appropriate languages other than English, in order to ensure that persons with limited English proficiency are effectively informed and can have meaningful access to programs, benefits, and activities. Contractor shall identify and document on the client records the primary language/dialect of a client who has limited English proficiency and the need for translation or interpretation services and shall not require a client to provide or pay for the services of a translator or interpreter. Contractor shall make every effort to avoid use of any persons under the age of 18 or

any family member or friend of the client as an interpreter for essential communications with a client with limited English proficiency unless the client has requested that person and the use of such a person would not compromise the effectiveness of services or violate the client's confidentiality and the client is advised that a free interpreter is available.

ARTICLE III FUNDING

Section 3.01 **Debt to State and Corporate Status.** Pursuant to Tex. Gov. Code § 403.055, the Department will not approve and the State Comptroller will not issue payment to Contractor if Contractor is indebted to the State for any reason, including a tax delinquency. Contractor, if a corporation, certifies by execution of this Contract that it is current and will remain current in its payment of franchise taxes to the State of Texas or that it is exempt from payment of franchise taxes under Texas law (Tex. Tax Code §§ 171.001 et seq., as amended). Contractor, if a corporation, further certifies that it is and will remain in good standing with the Secretary of State's office. A false statement regarding franchise tax or corporate status is a material breach of this Contract. If franchise tax payments become delinquent during the Contract term, all or part of the payments under this Contract may be withheld until Contractor's delinquent franchise tax is paid in full.

Section 3.02 **Application of Payment Due.** Contractor agrees that any payments due under this Contract will be applied towards any debt of Contractor, including but not limited to delinquent taxes and child support that is owed to the State of Texas.

Section 3.03 **Use of Funds.** Contractor agrees that it shall expend Department funds only for the provision of approved services and for reasonable and allowable expenses directly related to those services.

Section 3.04 **Use for Match Prohibited.** Contractor agrees funds provided through this Contract shall not be used for matching purposes in securing other funding unless directed or approved by the Department in writing.

Section 3.05 **Program Income.** Gross income directly generated from Department funds through a project or activity performed under a Program Attachment and/or earned only as a result of a Program Attachment during the term of the Program Attachment are considered program income. Unless otherwise required under the terms of the grant funding this Contract, the addition alternative, as provided in UGMS § __.25(g)(2), for the use of program income shall be used by Contractor to further the program objectives of the state or federal statute under which the Program Attachment was made, and it shall be spent on the same Program Attachment project in which it was generated. Contractor shall identify and report this income in accordance with the Compliance and Reporting Article of these General Provisions and the provisions of the Program Attachment(s). Contractor shall expend program income during the Program Attachment term and may not carry forward to the succeeding term. Program income not expended in the term in which it is earned shall be refunded to DSHS. DSHS may base future funding levels, in part, upon Contractor's proficiency in identifying,

billing, collecting, and reporting program income, and in utilizing it for the purposes and conditions set forth in this Contract.

Section 3.06 **Nonsupplanting.** Contractor shall not supplant (i.e., use funds from this Contract to replace or substitute existing funding from other sources that also supports the activities that are the subject of this Contract) but rather shall use funds from this Contract to supplement existing state or local funds currently available for a particular activity. Contractor shall make a good faith effort to maintain its current level of support. Contractor may be required to submit documentation substantiating that a reduction in local funding, if any, resulted for reasons other than receipt or expected receipt of funding under this Contract.

ARTICLE IV PAYMENT METHODS AND RESTRICTIONS

Section 4.01 **Payment Methods.** Except as otherwise provided by the provisions of the Program Attachment(s), the payment method for each program shall be one of the following methods:

a) cost reimbursement. This payment method is based on an approved budget in the Program Attachment(s) and acceptable submission of a request for reimbursement; or
b) unit rate/fee for service. This payment method is based on a specified rate(s) or fee(s) for a specified unit(s) of service, as stated in the Program Attachment(s) and acceptable submission of all required forms and/or deliverable(s).

Section 4.02 **Billing Submission.** Contractors shall bill the Department in accordance with the Program Attachment(s) in the form and format prescribed by DSHS. Unless otherwise specified in the Program Attachment(s), Contractor shall submit requests for reimbursement or payment monthly within thirty (30) calendar days following the end of the month covered by the bill.

Section 4.03 **Final Billing Submission.** Unless otherwise provided by the Department, Contractor shall submit a reimbursement or payment request as a final close-out bill not later than sixty (60) calendar days following the end of the term of the Program Attachment for goods received and services rendered during the term. If necessary to meet this deadline, Contractor may submit reimbursement or payment requests by facsimile transmission. Reimbursement or payment requests received in DSHS's offices more than sixty (60) calendar days following the end of the applicable term will not be paid. Consideration of requests for an exception will be made on a case-by-case basis, subject to the availability of funding, and only for an extenuating circumstance, such as, a catastrophic event, natural disaster, or criminal activity that substantially interferes with normal business operations, or causes damage or destruction of a place of business and/or records. A written statement describing the extenuating circumstance and the last request for reimbursement must be submitted for review and approval to the DSHS Accounting Section.

Section 4.04 **Working Capital Advance.** If allowed under this Contract, a single one-time working capital advance per term of the Program Attachment may be granted at the Department's discretion. Contractor must submit documentation to the Division Contract Management Unit

assigned to the Program Attachment to justify the need for a working capital advance. The working capital advance must be liquidated as directed by the Department. The requirements for the documentation justifying the need for an advance and the directions for liquidating the advance are found in the Contractor's Financial Procedures Manual located at http://www.dshs.state.tx.us/contracts.

Section 4.05 **Financial Status Reports (FSRs).** Except as otherwise provided in these General Provisions or in the terms of the Program Attachment(s), for contracts with categorical budgets, Contractor shall submit quarterly FSRs to Accounts Payable by the thirtieth calendar day of the month following the end of each quarter of the Program Attachment term for Department review and financial assessment. The final FSR must be submitted not later than sixty (60) days following the end of the applicable term.

Section 4.06 **Third Party Payors.** A third party payor is any person or entity who has the legal responsibility for paying for all or part of the services provided, including commercial health or liability insurance carriers, Medicaid, or other federal, state, local, and private funding sources. Except as provided in this Contract, Contractor shall screen all clients and shall not bill the Department for services eligible for reimbursement from third party payors. Contractor shall: (a) enroll as a provider in Children's Health Insurance Plan and Medicaid if providing approved services authorized under this Contract that may be covered by those programs, and bill those plans for the covered services; (b) provide assistance to individuals to enroll in such programs when the screening process indicates possible eligibility for such programs; (c) allow clients that are otherwise eligible for Department services, but cannot pay a deductible required by a third party payor, to receive services up to the amount of the deductible and to bill the Department for the deductible; (d) not bill the Department for any services eligible for third party reimbursement until all appeals to third party payors have been exhausted; (e) maintain appropriate documentation from the third party payor reflecting attempts to obtain reimbursement; (f) bill all third party payors for services provided under this Contract before submitting any request for reimbursement to Department; and (g) provide third party billing functions at no cost to the client.

ARTICLE V TERMS AND CONDITIONS OF PAYMENT

Section 5.01 **Prompt Payment.** Upon receipt of a timely, undisputed invoice pursuant to this Contract, Department will pay Contractor. Payments and reimbursements are contingent upon a signed Contract and will not exceed the total amount of authorized funds under this Contract. Contractor is entitled to payment or reimbursement only if the service, work, and/or product has been authorized by the Department and performed or provided pursuant to this Contract. If those conditions are met, Department will make payment in accordance with the Texas prompt payment law (Tex. Gov. Code Chapter 2251). Contractor must comply with Tex. Gov. Code Chapter 2251 regarding its prompt payment obligations to subcontractors. Payment of invoices by the Department shall not constitute acceptance or approval of Contractor's performance, and all invoices and Contractor's performance is subject to audit or review by the Department.

Section 5.02 **Withholding Payments.** Department may withhold all or part of any payments to Contractor to offset reimbursement for any ineligible expenditures or overpayments that Contractor

has not refunded to Department, or if financial status report(s) required by the Department are not submitted by the date(s) due. Department may take repayment from funds available under this Contract, active or expired, in amounts necessary to fulfill Contractor's repayment obligations.

Section 5.03 **Condition Precedent to Requesting Payment.** Contractor shall disburse program income, rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting cash payments including any advance payments from Department.

Section 5.04 **Acceptance as Payment in Full.** Except as permitted in the Fees for Personal Health Services section, Contractor shall accept reimbursement or payment from DSHS as payment in full for services or goods provided to clients, and Contractor agrees to not seek additional reimbursement or payment for services or goods from clients.

Section 5.05 **No Fee or Profit.** Except as provided in Section 2.05, Fees for Personal Health Services, Contractor shall not charge a fee or make a profit with respect to the Contract. A fee or profit is considered to be an amount in excess of actual allowable costs that are incurred in conducting an assistance program.

ARTICLE VI ALLOWABLE COSTS AND AUDIT REQUIREMENTS

Section 6.01 **Allowable Costs.** For services satisfactorily performed pursuant to this Contract, DSHS will reimburse Contractor for allowable costs. Contractor must have incurred a cost within the applicable term to be eligible for reimbursement under this Contract and prior to claiming reimbursement. DSHS shall determine whether costs submitted by Contractor are allowable and reimbursable. If DSHS has paid funds to Contractor for unallowable or ineligible costs, DSHS will notify Contractor in writing, and Contractor shall return the funds to DSHS within thirty (30) calendar days of the date of this written notice. DSHS may withhold all or part of any payments to Contractor to offset reimbursement for any ineligible expenditures that Contractor has not refunded to DSHS, or if financial status report(s) required under the Financial Status Reports section are not submitted by the date(s) due. DSHS may take repayment from funds available under any term of this Contract, active or expired, in amounts necessary to fulfill Contractor's repayment obligations. Applicable cost principles, audit requirements, and administrative requirements include:

Applicable Entity	Applicable Cost Principles	Audit Requirements	Administrative Requirements
State, Local and Tribal Governments	OMB Circular A-87	OMB Circular A-133 and UGMS	UGMS, OMB Circular A-102, and applicable Federal awarding agency common rule
Educational Institutions	OMB Circular A-21	OMB Circular A-133 and UGMS	OMB Circular A-110 and applicable Federal awarding agency common rule

Non-Profit Organizations	OMB Circular A-122	OMB Circular A-133 and UGMS	UGMS; OMB Circular A-110 and applicable Federal awarding agency common rule
For-profit Organization other than a hospital and an organization named in OMB Circular A-122 as not subject to that circular.	48 CFR Part 31, Contract Cost Principles Procedures, or uniform cost accounting standards that comply with cost principles acceptable to the federal or state awarding agency	Program audit conducted by an independent certified public accountant in accordance with Governmental Auditing Standards.	UGMS and applicable Federal awarding agency common rule

A chart of applicable common rules is located on the Internet at http://www.whitehouse.gov/omb/grants/chart.html. OMB Circulars will be applied with the modifications prescribed by UGMS with effect given to whichever provision imposes the more stringent requirement in the event of a conflict.

Section 6.02 **Independent Single or Program-Specific Audit.** If Contractor within Contractor's fiscal year expends a total amount of at least $500,000 in state funds awarded or at least $500,000 in federal funds awarded, Contractor must have a single audit or program-specific audit in accordance with the Office of Management and Budget (OMB) Circ. No. A-133, the Single Audit Act of 1984, P L 98-502, 98 Stat. 2327, and the Single Audit Act Amendments of 1996, P L 104-156, 110 Stat. 1396. The $500,000 federal threshold amount includes federal funds passed through by way of state agency awards. The HHSC Office of Inspector General (OIG) will notify the Contractor to complete the Single Audit Determination Registration Form. If Contractor fails to complete the Single Audit Determination Form within thirty (30) days after notification by OIG to do so, Contractor shall be subject to DSHS sanctions and remedies for non-compliance with this Contract. The audit shall be conducted by an independent certified public accountant and in accordance with applicable OMB Circulars, Government Auditing Standards, and Uniform Grant Management Standards (UGMS) located on the Internet at http://www.governor.state.tx.us/divisions/stategrants/guidelines/files/UGMS062004.doc. Contractor shall procure audit services in compliance with this section, state procurement procedures, as well as with the provisions of UGMS. Contractor, unless Contractor is a governmental entity, shall competitively re-procure independent single audit services every five (5) years and shall not use the same lead or coordinating audit partner (having primary responsibility for the audit) to conduct the independent audit for more than five (5) consecutive years. Procurement of audit services must comply with the procurement standards of 45 CFR Part 74 or 92, as applicable, including obtaining

competition and making positive efforts to use small, minority-owned, and women-owned business enterprises.

Section 6.03 **Submission of Audit.** Within thirty (30) calendar days of receipt of the audit reports required by this section, Contractor shall submit one copy to the Department's Contract Oversight and Support Section, and one copy to the Texas Health and Human Services Commission (HHSC), Office of Inspector General (OIG), at the following addresses:

Department of State Health Services
Contract Oversight and Support, Mail Code 1326
P.O. Box 149347
Austin, Texas 78714-9347

Texas Health and Human Services Commission
Office of Inspector General
Compliance/Audit, Mail Code 1326
P.O. Box 85200
Austin, Texas 78708-5200

If Contractor fails to submit the audit report as required by this section within thirty (30) days of receipt by Contractor of an audit report, Contractor shall be subject to DSHS sanctions and remedies for non-compliance with this Contract.

ARTICLE VII CONFIDENTIALITY

Section 7.01 **Maintenance of Confidentiality.** Contractor must maintain the privacy and confidentiality of information and records received during or related to the performance of this Contract, including patient and client records that contain protected health information (PHI), and any other information that discloses confidential personal information or identifies any client served by DSHS, in accordance with applicable federal and state laws and Rules, including but not limited to 7 CFR Part 246; 42 CFR Part 2; 45 CFR Parts 160 and 164 (Health Insurance Portability and Accountability Act [HIPAA]); Tex. Health & Safety Code Chapters 12, 47, 81, 82, 85, 88, 92, 161, 181, 241, 245, 251, 534, 576, 577, 596, 611, and 773; and Tex. Occ. Code Chapters 56 and 159 and all applicable Rules.

Section 7.02 **Department Access to PHI and Other Confidential Information.** Contractor shall cooperate with Department to allow Department to request, collect and receive PHI and other confidential information under this Contract, without the consent of the individual to whom the PHI relates, for funding, payment and administration of the grant program, and for purposes permitted under applicable state and federal confidentiality and privacy laws.

Section 7.03 **Exchange of Client-Identifying Information.** Except as prohibited by other law, Contractor and DSHS shall exchange PHI without the consent of clients in accordance with 45 CFR § 164.504(e)(3)(i)(B), Tex. Health & Safety Code § 533.009 and Rule Chapter 414, Subchapter A or other applicable laws or rules. Contractor shall disclose information described in Tex. Health &

Safety Code § 614.017(a)(2) relating to special needs offenders, to an agency described in Tex. Health & Safety Code § 614.017(c) upon request of that agency, unless Contractor documents that the information is not allowed to be disclosed under 45 CFR Part 164 or other applicable law.

Section 7.04 **Security of Patient or Client Records.** Contractor must maintain patient and client records in compliance with state and federal law relating to security and retention of medical or mental health and substance abuse patient records. Department may require Contractor to transfer original or copies of patient and client records to Department, without the consent or authorization of the patient or client, upon termination of this Contract or a Program Attachment to this Contract, as applicable, or if the care and treatment of the individual patient or client is transferred to another entity. Prior to providing services funded under this Contract to a patient or client, Contractor shall attempt to obtain consent from the patient or client to transfer copies of patient or client records to another entity funded by DSHS upon termination of this Contract or a Program Attachment to this Contract, as applicable, or if care or treatment is transferred to another DSHS-funded contractor.

Section 7.05 **HIV/AIDS Model Workplace Guidelines.** If providing direct client care, services, or programs, Contractor shall implement Department's policies based on the HIV/AIDS (human immunodeficiency virus/acquired immunodeficiency syndrome) Model Workplace Guidelines for Businesses, State Agencies, and State Contractors, Policy No. 090.021, and Contractor shall educate employees and clients concerning HIV and its related conditions, including AIDS, in accordance with the Tex. Health & Safety Code § 85.112-114. A link to the Model Workplace Guidelines can be found at http://www.dshs.state.tx.us/hivstd/policy/pdf/090021.pdf.

ARTICLE VIII RECORDS RETENTION

Section 8.01 **Retention.** Contractor shall retain records in accordance with applicable state and federal statutes and regulations. At a minimum, Contractor shall retain and preserve all other records, including financial records that are generated or collected by Contractor under the provisions of this Contract, for a period of four (4) years after the termination of this Contract. If services are funded through Medicaid, the federal retention period, if more than four (4) years, shall apply. Contractor shall retain all records pertaining to this Contract that are the subject of litigation or an audit until the litigation has ended or all questions pertaining to the audit are resolved. Legal requirements for Contractor may extend beyond the retention schedules established in this section. Contractor shall retain medical records in accordance with Tex. Admin. Code Title 22, Part 9, § 165.1(b) and (c) or other applicable statutes and regulations governing medical information. Contractor shall ensure that this provision concerning records retention is included in any subcontract it awards. If Contractor ceases business operations, it shall ensure that records relating to this Contract are securely stored and are accessible by the Department upon Department's request for at least four (4) years from the date Contractor ceases business or from the termination date of this Contract, whichever is sooner. Contractor shall provide the name and address of the party responsible for storage of records to the Division Contract Management Unit assigned to the Program Attachment.

ARTICLE IX ACCESS AND INSPECTION

Section 9.01 **Access.** In addition to any right of access arising by operation of law, Contractor, and any of Contractor's affiliate or subsidiary organizations or subcontractors shall permit the Department or any of its duly authorized representatives, as well as duly authorized federal, state or local authorities, including the Comptroller General of the United States, OIG, and the State Auditor's Office (SAO), unrestricted access to and the right to examine any site where business is conducted or client services are performed, and all records (including client and patient records, if any), books, papers or documents related to this Contract. If deemed necessary by the Department or the OIG, for the purpose of investigation or hearing, Contractor shall produce original documents related to this Contract. Further, Contractor shall ensure that information collected, assembled or maintained by the Contractor relative to this Contract is available to the Department for the Department to respond to requests that it receives under the Public Information Act. The Department and HHSC will have the right to audit billings both before and after payment. Payments will not foreclose the right of Department and HHSC to recover excessive or illegal payments. Contractor shall ensure that this provision concerning the right of access to, and examination of, information related to this Contract is included in any subcontract it awards.

Section 9.02 **State Auditor's Office.** Contractor shall, upon request, make all records, books, papers, documents, or recordings related to this Contract available for inspection, audit, or reproduction during normal business hours to any authorized representative of the SAO. The Contractor understands that the acceptance of funds under this Contract acts as acceptance of the authority of the SAO, or any successor agency, to conduct an audit or investigation in connection with those funds. The Contractor further agrees to cooperate fully with the SAO or its successor in the conduct of the audit or investigation, including providing all records requested, and providing access to any information the SAO considers relevant to the investigation or audit. Contractor shall ensure that this provision concerning the authority to audit funds will apply to funds received indirectly by subcontractors through the Contractor, and the requirement to cooperate, is included in any subcontract it awards.

Section 9.03 **Responding to Deficiencies.** Any deficiencies identified by DSHS or HHSC upon examination of Contractor's records will be conveyed in writing to Contractor. Contractor shall submit, by the date prescribed by DSHS, a resolution to the deficiency in a program review or management or financial audit to the satisfaction of DSHS. A DSHS or HHSC determination of either an inadequate or inappropriate resolution of the findings may result in contract remedies or sanctions under the Breach of Contract and Remedies for Non-Compliance Article of these General Provisions.

ARTICLE X NOTICE REQUIREMENTS

Section 10.01 **Child Abuse Reporting Requirement.** This section applies to mental health and substance abuse contractors and contractors for the following public health programs: HIV/STD; Family Planning (Titles V, X and XX); Primary Health Care; Maternal and Child Health; and WIC

Nutrition Services. Contractor shall make a good faith effort to comply with child abuse reporting guidelines and requirements in Tex. Fam. Code Chapter 261 relating to investigations of reports of child abuse and neglect. Contractor shall develop, implement and enforce a written policy that includes at a minimum the Department's Child Abuse Screening, Documenting, and Reporting Policy for Contractors/Providers and train all staff on reporting requirements. Contractor shall use the DSHS Child Abuse Reporting Form as required by the Department located at www.dshs.state.tx.us/childabusereporting. Contractor shall retain reporting documentation on site and make it available for inspection by DSHS.

Section 10.02 **Significant Incidents.** In addition to notifying the appropriate authorities, Contractor shall report to the Division Contract Management Unit assigned to the Program Attachment significant incidents involving substantial disruption of program operation or potentially affecting Department-funded clients or participants within seventy-two (72) hours of discovery.

Section 10.03 **Litigation.** Contractor shall notify the Division Contract Management Unit assigned to the Program Attachment of litigation related to or affecting this Contract and to which Contractor is a party within seven (7) calendar days of becoming aware of such a proceeding. This includes, but is not limited to an action, suit or proceeding before any court or governmental body, including environmental and civil rights matters, professional liability, and employee litigation. Notification shall include the names of the parties, nature of the litigation and remedy sought, including amount of damages, if any.

Section 10.04 **Action Against the Contractor.** Contractor shall notify the Division Contract Management Unit assigned to the Program Attachment if Contractor has had a contract suspended or terminated for cause by any local, state or federal department or agency or nonprofit entity within three (3) working days of the suspension or termination. Such notification shall include the reason for such action; the name and contact information of the local, state or federal department or agency or entity; the date of the contract; and the contract or case reference number. If the Contractor, as an organization, has surrendered its license or has had its license suspended or revoked by any local, state or federal department or agency or non-profit entity, it shall disclose this information within three (3) working days of the surrender, suspension or revocation to the Division Contract Management Unit assigned to the Program Attachment by submitting a one page description that includes the reason(s) for such action; the name and contact information of the local, state or federal department or agency or entity; the date of the license action; and a license or case reference number.

Section 10.05 **Insolvency.** Contractor shall notify in writing the Division Contract Management Unit assigned to the Program Attachment of Contractor's insolvency, incapacity, or outstanding unpaid obligations to the Internal Revenue Service (IRS) or Texas Workforce Commission (TWC) within three (3) working days of the date of determination that Contractor is insolvent or incapacitated, or the date Contractor discovered an unpaid obligation to the IRS or TWC. Contractor shall notify in writing the Division Contract Management Unit assigned to the Program Attachment of its plan to seek bankruptcy protection within three (3) working days of such action by the Contractor's board of directors.

Section 10.06 **Misuse of Funds.** Contractor shall report to the Division Contract Management Unit assigned to the Program Attachment and to the SAO, any knowledge of debarment, suspected fraud, program abuse, possible illegal expenditures, unlawful activity, or violation of financial laws, rules,

policies, and procedures related to performance under this Contract. Contractor shall make such report no later than three (3) working days from the date that the Contractor has knowledge or reason to believe such activity has taken place. Contractor shall make the report to the SAO at (800) TX-AUDIT, or by Internet at http://www.sao.state.tx.us.

Section 10.07 **Criminal Activity and Disciplinary Action.** Contractor affirms that no person who has an ownership or controlling interest in the organization or who is an agent or managing employee of the organization has been placed on community supervision, received deferred adjudication, is presently indicted for or has been convicted of a criminal offence related to any financial matter, federal or state program or felony sex crime. Contractor shall notify in writing the Division Contract Management Unit assigned to the Program Attachment if it has reason to believe Contractor, or a person with ownership or controlling interest in the organization or who is an agent or managing employee of the organization, an employee or volunteer of Contractor, or a subcontractor has engaged in any activity that would constitute a criminal offense equal to or greater than a Class A misdemeanor or if such activity would reasonably constitute grounds for disciplinary action by a state or federal regulatory authority, or has been placed on community supervision, received deferred adjudication, or been indicted for or convicted of a criminal offense relating to involvement in any financial matter, federal or state program or felony sex crime. Contractor shall make the reports required by this section no later than three (3) working days from the date that the Contractor has knowledge or reason to believe such activity has taken place. Contractor shall ensure that any person who engaged, or was alleged to have engaged, in an activity subject to reporting under this section is prohibited from performing direct client services or from having direct contact with clients, unless otherwise directed by DSHS.

Section 10.08 **Retaliation Prohibited.** Contractor shall not retaliate against any person who reports a violation of, or cooperates with an investigation regarding, any applicable law, rule, or standard to the SAO, the Department, another state agency, or any federal, state or local law enforcement official.

Section 10.09 **Documentation.** Contractor shall maintain appropriate documentation of all notices.

ARTICLE XI ASSURANCES AND CERTIFICATIONS

Section 11.01 **Certification.** Contractor certifies by execution of this Contract to the following:

a) it is not disqualified under 2 CFR §376.935 or ineligible for participation in federal or state assistance programs;
b) neither it, nor its principals, are presently debarred, suspended, proposed for debarment, declared ineligible, or excluded from participation in this transaction by any federal or state department or agency;
c) it has not knowingly failed to pay a single substantial debt or a number of outstanding debts to a federal or state agency;
d) it is not subject to an outstanding judgment in a suit against Contractor for collection of the balance of a debt;

e) it is in good standing with all state and/or federal agencies that have a contracting or regulatory relationship with Contractor;
f) that no person who has an ownership or controlling interest in Contractor or who is an agent or managing employee of Contractor has been convicted of a criminal offense related to involvement in any program established under Medicare, Medicaid, or a federal block grant;
g) neither it, nor its principals have within the three-year period preceding this Contract, has been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offence in connection with obtaining, attempting to obtain, or performing a private or public (federal, state or local) transaction or contract under a private or public transaction, violation of federal or state antitrust statutes (including those proscribing price fixing between competitors, allocation of customers between competitors and bid rigging), or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or false claims, tax evasion, obstruction of justice, receiving stolen property or any other offense indicating a lack of business integrity or business honesty that seriously and directly affects the present responsibility of Contactor or its principals;
h) neither it, nor its principals is presently indicted or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with the commission of any of the offenses enumerated in subsection g) of this section; and
i) neither it, nor its principals within a three-year period preceding this Contract has had one or more public transaction (federal, state or local) terminated for cause or default.

Contractor shall include the certifications in this section, without modification (except as required to make applicable to the subcontractor), in all subcontracts and solicitations for subcontracts. Where Contractor is unable to certify to any of the statements in this Article, Contractor shall submit an explanation to the Division Contract Management Unit assigned to the Program Attachment. If Contractor's status with respect to the items certified above changes during the term of this Contract, Contractor shall immediately notify the Division Contract Management Unit assigned to the Program Attachment.

Section 11.02 **Child Support Delinquencies.** As required by Tex. Fam. Code § 231.006, a child support obligor who is more than thirty (30) calendar days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least twenty-five percent (25%) is not eligible to receive payments from state funds under a contract to provide property, materials, or services or receive a state-funded grant or loan. If applicable, Contractor agrees to maintain its eligibility to receive payments under this Contract, certifies that it is not ineligible to receive the payments specified in this Contract, and acknowledges that this Contract may be terminated and payment may be withheld if this certification is inaccurate.

Section 11.03 **Authorization.** Contractor certifies that it possesses legal authority to contract for the services set forth in this Contract and that a resolution, motion or similar action has been duly adopted or passed as an official act of the Contractor's governing body, authorizing the binding of the organization under this Contract including all understandings and assurances contained in this Contract, and directing and authorizing the person identified as the authorized representative of the

Contractor to act in connection with this Contract and to provide such additional information as may be required.

Section 11.04 **Gifts and Benefits Prohibited.** Contractor certifies that it has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, present or future employment, gift, loan, gratuity, special discount, trip, favor, service or anything of monetary value to a DSHS or HHSC official or employee in connection with this Contract.

Section 11.05 **Ineligibility to Receive the Contract.** (a) Pursuant to Tex. Gov. Code § 2155.004 and federal law, Contractor is ineligible to receive this Contract if this Contract includes financial participation by a person who received compensation from DSHS to participate in developing, drafting or preparing the specifications, requirements, statement(s) of work or Solicitation Document on which this Contract is based. Contractor certifies that neither Contractor, nor its employees, nor anyone acting for the Contractor has received compensation from DSHS for participation in the development, drafting or preparation of specifications, requirements or statement(s) of work for this Contract or in the Solicitation Document on which this Contract is based; (b) Pursuant to Tex. Gov. Code §§ 2155.006 and 2261.053, Contractor is ineligible to receive this Contract, if the Contractor or any person who would have financial participation in this Contract has been convicted of violating federal law, or been assessed a federal civil or administrative penalty, in connection with a contract awarded by the federal government for relief, recovery or reconstruction efforts as a result of Hurricanes Rita or Katrina or any other disaster occurring after September 24, 2005; (c) Contractor certifies that the individual or business entity named in this Contract is not ineligible to receive the specified Contract under Tex. Gov. Code §§ 2155.004, 2155.006 or 2261.053, and acknowledges that this Contract may be terminated and payment withheld if these certifications are inaccurate.

Section 11.06 **Antitrust.** Pursuant to 15 USCA Sec. 1, et seq. and Tex. Bus. & Comm. Code § 15.01, et seq. Contractor certifies that neither Contractor, nor anyone acting for the Contractor has violated the antitrust laws of this state or federal antitrust laws, nor communicated directly or indirectly regarding a bid with any competitor or any other person engaged in such line of business for the purpose of substantially lessening competition in such line of business.

Section 11.07 **Initiation and Completion of Work.** Contractor certifies that it shall initiate and complete the work under this Contract within the applicable time frame prescribed in this Contract.

ARTICLE XII GENERAL BUSINESS OPERATIONS OF CONTRACTOR

Section 12.01 **Responsibilities and Restrictions Concerning Governing Board, Officers and Employees.** Contractor and its governing board shall bear full responsibility for the integrity of the fiscal and programmatic management of the organization. This provision applies to all organizations, including Section 501(c)(3) organizations as defined in the Internal Revenue Service Code as not-for-profit organizations. Each member of Contractor's governing board shall be accountable for all funds

and materials received from Department. The responsibility of Contractor's governing board shall also include accountability for compliance with Department Rules, policies, procedures, and applicable federal and state laws and regulations; and correction of fiscal and program deficiencies identified through self-evaluation and Department's monitoring processes. Further, Contractor's governing board shall ensure separation of powers, duties, and functions of board members and staff. Staff members, including the executive director, shall not serve as voting members of the Contractor's governing board. No member of Contractor's governing board, or officer or employee of Contractor shall vote for, confirm or act to influence the employment, compensation or change in status of any person related within the second degree of affinity or the third degree of consanguinity (as defined in Tex.Gov. Code Chapter 573) to the member of the governing body or the officer or any employee authorized to employ or supervise such person. This prohibition does not prohibit the continued employment of a person who has been continuously employed for a period of two (2) years prior to the election, appointment or employment of the officer, employee, or governing body member related to such person in the prohibited degree. These restrictions shall also apply to the governing board, officers and employees of Contractor's subcontractors. Ignorance of any Contract provisions or other requirements contained or referenced in this Contract shall not constitute a defense or basis for waiving or appealing such provisions or requirements.

Section 12.02 **Management and Control Systems.** Contractor shall comply with all the requirements of the Department's Contractor's Financial Procedures Manual, and any of its subsequent amendments, which is available at the Department's web site: http://www.dshs.state.tx.us/contracts. Contractor shall maintain an appropriate contract administration system to insure that all terms, conditions, and specifications are met. Contractor shall develop, implement, and maintain financial management and control systems that meet or exceed the requirements of UGMS and adhere to procedures detailed in Department's Contractor's Financial Procedures Manual. Those requirements shall include at a minimum:

a) financial planning, including the development of budgets that adequately reflect all functions and resources necessary to carry out authorized activities and the adequate determination of costs;
b) financial management systems that include accurate accounting records that are accessible and identify the source and application of funds provided under each Program Attachment of this Contract, original source documentation substantiating that costs are specifically and solely allocable to the Program Attachment and are traceable from the transaction to the general ledger; and
c) effective internal and budgetary controls; comparison of actual costs to budget; determination of reasonableness, allowableness, and allocability of costs; timely and appropriate audits and resolution of any findings; billing and collection policies; and a mechanism capable of billing and making reasonable efforts to collect from clients and third parties.

Section 12.03 **Insurance.** Contractor shall maintain insurance or other means of replacing assets purchased with Department funds.

Section 12.04 **Fidelity Bond.** Contractor is required to carry a fidelity bond or insurance coverage equal to the amount of funding provided under this Contract up to $100,000 that covers each employee of Contractor handling funds under this Contract, including person(s) authorizing payment of such funds. The fidelity bond or insurance shall provide for indemnification of losses occasioned by (1) any fraudulent or dishonest act or acts committed by any of Contractor's employees, either individually or in concert with others, and/or (2) failure of Contractor or any of its employees to perform faithfully his/her duties or to account properly for all monies and property received by virtue of his/her position or employment.

Section 12.05 **Liability Coverage.** Contractor shall also maintain liability insurance coverage, referred to in Tex. Gov. Code § 2261.102, as "director and officer liability coverage," where Contractor is a legal entity that is required to have directors and/or officers. This provision applies to entities that are organized as non-profit corporations under the Texas Non-Profit Corporation Act; for-profit corporations organized under the Texas Business Corporations Act; and any other legal entity that is required under Texas law to have directors and/or officers. Contractor shall maintain liability insurance coverage in an amount not less than the total value of this Contract and that is sufficient to protect the interests of Department in the event an actionable act or omission by a director or officer of Contractor damages Department's interests.

Section 12.06 **Overtime Compensation.** Except as provided in this section, Contractor shall not use any of the funds provided by this Contract to pay the premium portion of overtime. Contractor shall be responsible for any obligations of premium overtime pay due employees. Premium overtime pay is defined as any compensation paid to an individual in addition to the employee's normal rate of pay for hours worked in excess of normal working hours. Funds provided under this Contract may be used to pay the premium portion of overtime only under the following conditions: 1) with the prior approval of DSHS; 2) temporarily, in the case of an emergency or an occasional operational bottleneck; 3) when employees are performing indirect functions, such as administration, maintenance, or accounting; 4) in performance of tests, laboratory procedures, or similar operations that are continuous in nature and cannot reasonably be interrupted or otherwise completed; or 5) when lower overall cost to DSHS will result.

Section 12.07 **Program Site.** All Contractors shall ensure that the location where services are provided is in compliance with all applicable local, state and federal zoning, building, health, fire, and safety standards.

Section 12.08 **Cost Allocation Plan.** Contractor shall submit a Cost Allocation Plan in the format provided in the Department's Contractor's Financial Procedures Manual to the Department's Contract Oversight and Support Section, at Mail Code 1326, P.O. Box 149347, Austin, Texas 78714-9347, except under the circumstance where a Contractor has a current Cost Allocation Plan on file with the Department. Contractor shall implement and follow the applicable Cost Allocation Plan. If Contractor's plan is the same as in the previous year, by signing this Contract, Contractor certifies

that its current Cost Allocation Plan for the current year is the same as that submitted to DSHS for the previous year. In the event that the Cost Allocation Plan changes during the Contract term, Contractor must submit a new Cost Allocation Plan to the Contract Oversight and Support Section within thirty (30) calendar days after the effective date of the change. Cost Allocation Plan must comply with the guidelines provided in the Department's Contractor's Financial Procedures Manual located at http://www.dshs.state.tx.us/contracts.

Section 12.09 **Reporting for Unit Rate and Fee For Service Contracts.** Contractor shall submit reports concerning unit rate and fee-for-service contracts to the Department in accordance with the requirements stated in the Department's Contractor's Financial Procedures Manual located at http://www.dshs.state.tx.us/contracts.

Section 12.10 **Historically Underutilized Businesses (HUBs).** If Contractor was not required to submit a HUB subcontracting plan and if subcontracting is permitted under this Program Attachment, Contractor is encouraged to make a good faith effort to consider subcontracting with HUBs as set forth in Tex. Gov. Code Chapter 2161 and 34 Tex. Admin. Code § 20.14 et seq. Contractors may obtain a list of HUBs at http://www.window.state.tx.us/procurement/prog/hub. If Contractor has filed a HUB subcontracting plan, the plan is incorporated by reference in this Contract. If Contractor desires to make a change in the plan, Contractor must obtain prior approval from the Department's HUB Coordinator of the revised plan before proposed changes will be effective under this Contract. Contractor agrees to make a good faith effort to subcontract with HUBs during the performance of this Contract and shall report HUB subcontract activity to the Department's HUB Coordinator by the 15th day of each month for the prior month's activity, if there was any such activity, in accordance with 34 Tex. Admin. Code § 20.16(c).

Section 12.11 **Buy Texas.** Contractor shall purchase products and materials produced in Texas when the products and materials are available at a price and time comparable to products and materials produced outside of Texas as required by Tex. Gov. Code § 2155.4441.

Section 12.12 **Contracts with Subrecipient Subcontractors.** Contractor may enter into contracts with subrecipient subcontractors unless restricted or otherwise prohibited in a specific Program Attachment(s). Prior to entering into an agreement equaling or exceeding $100,000, Contractor shall obtain written approval from DSHS. Contracts with subcontractors shall be in writing and include the following:

a) name and address of all parties;
b) a detailed description of the services to be provided;
c) measurable method and rate of payment and total amount of contract;
d) clearly defined and executable termination clause;
e) beginning and ending dates that coincide with the dates of the applicable Program Attachment(s) or that cover a term within the beginning and ending dates of the applicable Program Attachment(s);
f) access to inspect the work and the premises on which any work is performed, in accordance with the Access and Inspection Article in these General Provisions; and
g) a copy of these General Provisions and a copy of the Statement of Work and any other provisions in the Program Attachment(s) applicable to the subcontract.

Contractor is responsible to DSHS for the performance of any subcontractor. Contractor shall monitor subcontractors for both financial and programmatic performance and shall maintain pertinent

records that shall be available for inspection by DSHS. Contractor shall ensure that subcontractors are fully aware of the requirements placed upon them by state/federal statutes, rules, and regulations and under this Contract. Contractor shall not contract with a subcontractor, at any tier, that is debarred or suspended or excluded from or ineligible for participation in federal assistance programs.

Section 12.13 **Status of Subcontractors.** Contractor shall include in all its contracts with subcontractors, the certifications stated in the Assurances and Certifications Article of these General Provisions. Contractor shall also require all subcontractors to certify that they are not delinquent on any repayment agreements; have not had a required license or certification revoked; and have not had a contract terminated by the Department. Contractors shall further require that subcontractors certify that they have not voluntarily surrendered within the past three (3) years any license issued by the Department.

Section 12.14 **Incorporation of Terms.** Contractor shall ensure that all written agreements with subrecipient subcontractors incorporate the terms of this Contract, and provide that the subcontractor is subject to audit by DSHS, HHSC and the SAO.

Section 12.15 **Independent Contractor.** Contractor is an independent contractor. Contractor shall direct and be responsible for the performance of its employees, subcontractors, joint venture participants or agents. Contractor is not an agent or employee of the Department or the State of Texas for any purpose whatsoever. For purposes of this Contract, Contractor acknowledges that its employees, subcontractors, joint venture participants or agents will not be eligible for unemployment compensation from the Department or the State of Texas.

Section 12.16 **Authority to Bind.** The person or persons signing and executing this Contract on behalf of Contractor, or representing themselves as signing and executing this Contract on behalf of Contractor, warrant and guarantee that they have been duly authorized by Contractor to execute this Contract for Contractor and to validly and legally bind Contractor to all of its terms.

Section 12.17 **Tax Liability.** Contractor shall comply with all state and federal tax laws and is solely responsible for filing all required state and federal tax forms and making all tax payments. In the event that the Department discovers that Contractor has failed to remain current on a liability to the IRS, this Contract will be subject to remedies and sanctions under this Contract, including immediate termination at the Department's discretion. In the event of Contract termination under this section, the Department will not enter into a contract with Contractor for three (3) years from the date of termination.

Section 12.18 **Notice of Organizational Change.** Contractor shall submit written notice to the Division Contract Management Unit assigned to the Program Attachment within ten (10) business days of any change to the following: Contractor's name; contact information; key personnel, officer, director or partner; organizational structure; legal standing; or authority to do business in Texas. A change in Contractor's name requires an amendment to this Contract in accordance with the Amendments section of these General Provisions.

Section 12.19 **Quality Management.** Contractor shall comply with quality management requirements as directed by the Department.

Section 12.20 **Equipment (Including Controlled Assets) Purchases.** Equipment means an article of nonexpendable, tangible personal property having a useful lifetime of more than one year and an acquisition cost of $5,000 or more, and "controlled assets." Controlled assets include firearms regardless of the acquisition cost, and the following assets with an acquisition cost of $500 or more: desktop and laptop computers, non-portable printers and copiers, emergency management equipment, communication devices and systems, medical and laboratory equipment, and media equipment. Contractors on a cost reimbursement payment method shall inventory all equipment. If the purchase of equipment is approved in writing by the Department, Contractor is required to initiate the purchase of that equipment in the first quarter of the Contract or Program Attachment term, as applicable. Failure to initiate the purchase of equipment may result in loss of availability of funds for the purchase of equipment. Requests to purchase previously approved equipment after the first quarter of the Program Attachment must be submitted to the Division Contract Management Unit assigned to the Program Attachment.

Section 12.21 **Supplies.** Supplies are defined as consumable items necessary to carry out the services under this Contract including medical supplies, drugs, janitorial supplies, office supplies, patient educational supplies, software, and any items of tangible personal property other than those defined as equipment above.

Section 12.22 **Changes to Equipment List.** All items of equipment purchased with funds under this Contract shall be itemized in Contractor's equipment list as finally approved by the Department in the executed Contract. Any changes to the approved equipment list in the executed Contract must be approved in writing by Department prior to purchase of equipment. Contractor shall submit to the Division Contract Management Unit assigned to the Program Attachment, a written description including complete product specifications and need justification prior to purchasing any item of unapproved equipment. If approved, Department will acknowledge its approval by means of a written amendment or by written acceptance of Contractor's Contract Revision Request, as appropriate.

Section 12.23 **Property Inventory and Protection of Assets.** Contractor shall maintain a nonexpendable personal property (equipment and controlled assets) inventory and submit an annual cumulative report to the Department's Contract Oversight and Support Section, Mail Code 1326, P.O. Box 149347 Austin, Texas 78714-9347, no later than October 15th of each year. The form for this report (Form GC-11) is located on the DSHS website at http://www.dshs.state.tx.us/contracts/forms.shtm. Contractor shall administer a program of

maintenance, repair, and protection of assets under this Contract so as to assure their full availability and usefulness. In the event Contractor is indemnified, reimbursed, or otherwise compensated for any loss of, destruction of, or damage to the assets provided under this Contract, Contractor shall use the proceeds to repair or replace those assets.

Section 12.24 **Bankruptcy.** In the event of bankruptcy, Contractor shall sever Department property, equipment, and supplies in possession of Contractor from the bankruptcy, and title shall revert to Department.

Section 12.25 **Title to Property.** At the conclusion of the contractual relationship between the Department and the Contractor, for any reason, title to any remaining equipment and supplies purchased with funds under this Contract reverts to Department. Title may be transferred to any other party designated by Department. The Department may, at its option and to the extent allowed by law, transfer the reversionary interest to such property to Contractor.

Section 12.26 **Property Acquisitions.** Department funds may not be used to purchase buildings or real property. Any costs related to the initial acquisition of the buildings or real property are not allowable.

Section 12.27 **Disposition of Property.** Contractor shall follow the procedures in the American Hospital Association's (AHA's) "Estimated Useful Lives of Depreciable Hospital Assets" in disposing, at any time during or after the Contract term, of equipment or controlled assets purchased with the Department funds, except when federal or state statutory requirements supersedes or when the equipment requires licensure or registration by the state, or when the acquisition price of the equipment or controlled asset is equal to or greater than $10,000. All other equipment and controlled assets not listed in the AHA reference (other than equipment that requires licensure or registration or that has an acquisition cost equal to or greater than $10,000) shall be controlled by the requirements of UGMS. If, prior to the end of the useful life, any item of equipment is no longer needed to perform services under this Contract, or becomes inoperable, or if the equipment requires licensure or registration or had an acquisition price equal to or greater than $10,000, Contractor shall request disposition approval and instructions in writing from the Division Contract Management Unit assigned to the Program Attachment. After an item reaches the end of its useful life, Contractor must ensure that disposition of any equipment is in accordance with Generally Accepted Accounting Principles, and any applicable federal guidance.

Section 12.28 **Closeout of Equipment.** At the end of the term of a Program Attachment that has no additional renewals or that will not be renewed (Closeout), Contractor shall submit to the Division Contract Management Unit assigned to the Program Attachment, an inventory of property purchased with Department funds and request disposition instructions for such property. All property purchased with Department funds shall be secured by the Contractor at the time of Closeout and shall be returned to the Department as required by the Department's disposition instructions or at the request of the Department at the Contractor's expense.

Section 12.29 **Assets as Collateral Prohibited.** Contractors on a cost reimbursement payment method shall not encumber property purchased with Department funds without prior written approval from the Department.

ARTICLE XIII GENERAL TERMS

Section 13.01 **Assignment.** Contractor shall not transfer, assign, or sell its interest, in whole or in part, in this Contract, or in any equipment purchased with funds from this Contract, without the prior written consent of the Department.

Section 13.02 **Lobbying.** Contractor shall comply with Tex. Gov Code § 556.0055, which prohibits contractors who receive state funds from using those funds to pay lobbying expenses. Further, Contractor shall not use funds paid under this Contract to pay any person for influencing or attempting to influence an officer or employee of any federal or state agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any contract or the extension, continuation, renewal, amendment, or modification of any contract (31 USCA § 1352, as amended, and UGMS). If at any time this Contract exceeds $100,000 of federal funds, Contractor shall file with the Division Contract Management Unit assigned to the Program Attachment a declaration containing the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on behalf of Contractor in connection with this Contract, a certification that none of the funds provided by Department have been or will be used for payment to lobbyists, and disclosure of the names of any and all registered lobbyists with whom Contractor has an agreement. Contractor shall file the declaration, certification, and disclosure at the time of application for this Contract; upon execution of this Contract unless Contractor previously filed a declaration, certification, or disclosure form in connection with the award; and at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in any declaration, certification, or disclosure previously filed. Contractor shall require any person who requests or receives a subcontract to file the same declaration, certification, and disclosure with the Division Contract Management Unit assigned to the Program Attachment. Contractor shall also comply, as applicable, with the lobbying restrictions and requirements in OMB Circulars A-122 Attachment B paragraph 25; A-87 Attachment B section 27; A-110 section__.27 and A-21 paragraphs 17 and 24. Contractor shall include this provision in any subcontracts.

Section 13.03 **Conflict of Interest.** Contractor represents to the Department that it does not have nor shall it knowingly acquire any financial or other interest that would conflict in any manner with the performance of its obligations under this Contract. Potential conflicts of interest include, but are not limited to, an existing or potential business or personal relationship between Contractor, its principal (or a member of the principal's immediate family), or any affiliate or subcontractor and Department or HHSC, their commissioners, officers or employees, or any other entity or person involved in any way in any project that is the subject of this Contract. Contractor shall establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain.

Section 13.04 **Transactions Between Related Parties.** Contractor shall identify and report to DSHS any transactions between Contractor and a related party that is part of the work that the Department is purchasing under this Contract before entering into the transaction or immediately upon discovery. Contractor shall submit to the Division Contract Management Unit assigned to the Program Attachment the name, address and telephone number of the related party, how the party is related to the Contractor and the work the related party will perform under this Contract. A related

party is a person or entity related to the Contractor by blood or marriage, common ownership or any association that permits either to significantly influence or direct the actions or policies of the other. The Contractor, for purposes of reporting transactions between related parties, includes the entity contracting with the Department under this Contract as well as the chief executive officer, chief financial officer and program director of the Contractor. Contractor shall comply with Tex. Gov. Code Chapter 573. Contractor shall maintain records and supply any additional information requested by the Department, regarding a transaction between related parties, needed to enable the Department to determine the appropriateness of the transaction pursuant to applicable state or federal law, regulations or circulars, which may include 45 CFR part 74, OMB Circ. No. A-110, 2 CFR § 215.42, and UGMS.

Section 13.05 **Intellectual Property.** Tex. Health & Safety Code § 12.020 authorizes DSHS to protect intellectual property developed as a result of this Contract.

a) "Intellectual property" means created property that may be protected under copyright, patent, or trademark/service mark law.
b) For purposes of this Contract intellectual property prepared for DSHS use, or a work specially ordered or commissioned through a contract for DSHS use is "work made for hire." DSHS owns works made for hire unless it agrees otherwise by contract. To the extent that title and interest to any such work may not, by operation of law, vest in DSHS, or such work may not be considered a work made for hire, Contractor irrevocably assigns the rights, title and interest therein to DSHS. DSHS shall have the right to obtain and hold in its name any and all patents, copyright, registrations or other such protections as may be appropriate to the subject matter, and any extensions and renewals thereof. Contractor must give DSHS and the State of Texas, as well as any person designated by DSHS and the State of Texas, all assistance required to perfect the rights defined herein without charge or expense beyond those amounts payable to Contractor for goods provided or services rendered under this Contract.
c) If federal funds are used to finance activities supported by this Contract that result in the production of intellectual property, the federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for federal government purposes (1) the copyright in any intellectual property developed under this Contract, including any subcontract; and (2) any rights of copyright to which a Contractor purchases ownership with contract funds. Contractor shall place an acknowledgment of federal awarding agency grant support and a disclaimer, as appropriate, on any publication written or published with such support and, if feasible, on any publication reporting the results of or describing a grant-supported activity. An acknowledgment shall be to the effect that "This publication was made possible by grant number _____ from (federal awarding agency)" or "The project described was supported by grant number _____ from (federal awarding agency)" and "Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the (federal awarding agency)."
d) In the event the terms of a federal grant award the copyright to Contractor, DSHS reserves a royalty-free, nonexclusive, worldwide and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for DSHS, public health, and state governmental noncommercial purposes (1) the copyright, trademark, service mark, and/or patent on an invention, discovery, or improvement to any process, machine, manufacture, or composition of matter; products; technology; scientific information; trade secrets; and computer software, in any work developed under a grant, subgrant, or contract under a grant or subgrant; and (2)

any rights of copyright, service or trade marks or patents to which a grantee, subgrantee or a Contractor purchases ownership with contract funds.

e) If the results of the contract performance are subject to copyright law, the Contractor cannot publish those results without prior review and approval of DSHS. Contractor shall submit requests for review and approval to the Division Contract Management Unit assigned to the Program Attachment.

Section 13.06 **Other Intangible Property.** At the conclusion of the contractual relationship between Department and the Contractor, for any reason, Department shall have the sole ownership rights and interest in all non-copyrightable intangible property that was developed, produced or obtained by Contractor as a specific requirement under this Contract or under any grant that funds this Contract, such as domain names, URLs, etc. Contractor shall cooperate with Department and perform all actions necessary to transfer ownership of such property to the Department or its designee, or otherwise affirm Department's ownership rights and interest in such property. This provision shall survive the termination or expiration of this Contract.

Section 13.07 **Severability and Ambiguity.** If any provision of this Contract is construed to be illegal or invalid, the illegal or invalid provision will be deemed stricken and deleted to the same extent and effect as if never incorporated, but all other provisions will continue. Parties represent and agree that the language contained in this Contract is to be construed as jointly drafted, proposed and accepted.

Section 13.08 **Legal Notice.** Any notice required or permitted to be given by the provisions of this Contract shall be deemed to have been received by a Party on the third business day after the date on which it was mailed to the Party at the address first given above (or at such other address as the Party shall specify to the other Party in writing) or, if sent by certified mail, on the date of receipt.

Section 13.09 **Successors.** This Contract shall be binding upon the Parties and their successors and assignees, except as expressly provided in this Contract.

Section 13.10 **Headings.** The articles and section headings used in this Contract are for convenience of reference only and shall not be construed in any way to define, limit or describe the scope or intent of any provisions.

Section 13.11 **Parties.** The Parties represent to each other that they are entities fully familiar with transactions of the kind reflected by this document, and are capable of understanding the terminology and meaning of its terms and conditions and of obtaining independent legal advice pertaining to this Contract.

Section 13.12 **Survivability of Terms.** Termination or expiration of this Contract or a Program Attachment for any reason shall not release either Party from any liabilities or obligations set forth in this Contract that (a) the Parties have expressly agreed shall survive any such termination or expiration, or (b) remain to be performed or (c) by their nature would be intended to be applicable following any such termination or expiration.

Section 13.13 **Direct Operation.** The Department may temporarily assume operations of a Contractor's program or programs funded under this Contract when the continued operation of the

program by Contractor puts at risk the health and safety of clients and/or participants served by the Contractor, and there are no reasonable alternatives available.

Section 13.14 **Customer Service Information.** If requested, Contractor shall supply such information as required by the Department to comply with the provisions of Tex. Gov. Code Chapter 2114 regarding Customer Service surveys.

Section 13.15 **Amendment.** Parties agree that the Department may unilaterally reduce funds pursuant to the terms of this Contract without the written agreement of Contractor. All other amendments to this Contract must be in writing and agreed to by both Parties, except as otherwise specified in the Contractor's Notification of Change to Certain Contract Provisions section or the Contractor's Request for Revision to Certain Contract Provisions section of this Article. Contractor's request for certain budget revisions or other amendments must be submitted in writing, including a justification for the request, to the Division Contract Management Unit assigned to the Program Attachment; and if a budget revision or amendment is requested during the last quarter of the Contract or Program Attachment term, as applicable, Contractor's written justification must include a reason for the delay in making the request. Revision or amendment requests may be granted at the discretion of DSHS. Except as otherwise provided in this Article, Contractor shall not perform or produce, and DSHS shall not pay for the performance or production of, different or additional goods, services, work or products except pursuant to an amendment of this Contract that is executed in compliance with this section; and DSHS may not waive any term, covenant, or condition of this Contract unless by amendment or otherwise in compliance with this section.

Section 13.16 **Contractor's Notification of Change to Certain Contract Provisions.**
The following changes may be made to this Contract without a written amendment or the Department's prior approval:

a) contractor's contact person and contact information;
b) contact information for key personnel, as stated in Contractor's response to the Solicitation Document, if any;
c) cumulative budget line item transfers that exceed 10% among direct cost categories, other than the equipment category, of cost reimbursement contract Program Attachments of less than $100,000, provided that the total budget amount is unchanged;
d) minor corrections or clarifications to the Contract language that in no way alter the Contract scope of work, objectives or performance measures; and
e) a change in the Contractor's share of the budget concerning non-DSHS funding other than program income and match, regardless of the amount of the change, provided that in changing the budget, Contractor is not supplanting DSHS funds.

Contractor within ten days shall notify in writing the Division Contract Management Unit assigned to the Program Attachment of any change enumerated in this section. The notification may be by letter, fax or email.

Section 13.17 **Contractor's Request for Revision of Certain Contract Provisions.** A Contractor's Revision Request is an alternative method for amending certain specified provisions of this Contract that is initiated by the Contractor, but must be approved by DSHS. The following changes to this Contract may be made through a Contractor's Revision Request, rather than through the amendment process described in the Amendment section of this Article:

a) cumulative budget line item transfers among direct cost categories, other than the equipment category, that exceed 10% of Program Attachments of $100,000 or more, provided that the total budget amount is unchanged;
b) line item transfer to other categories of funds for direct payment to trainees for training allowances;
c) change in clinic hours or location;
d) change in equipment list substituting an item of equipment equivalent to an item of equipment on the approved budget, (For example, purchase of XYZ brand computer instead of approved ABC brand computer with essentially identical features as the XYZ computer);
e) changes in the equipment category of a previously approved equipment budget (other than acquisition of additional equipment, which requires an amendment to this Contract);
f) changes specified in applicable OMB Circular cost principles as requiring prior approval, regardless of dollar threshold (e.g., foreign travel expenses, overtime premiums, membership fees); and
g) changes to community sites, independent school districts or schools, in substance abuse Program Attachments.

In order to request a revision of any of the enumerated provisions, Contractor shall obtain a Contract Revision Request form from the DSHS website and complete the form as directed by the Department. Two copies of the completed form must be signed by Contractor's representative who is authorized to sign contracts on behalf of Contractor, and both original, signed forms must be submitted to the Division Contract Management Unit assigned to the Program Attachment. Any approved revision will not be effective unless signed by the DSHS Director of Client Services Contracting Unit. A separate Contractor Revision Request is required for each Program Attachment to be revised. Circumstances of a requested contract revision may indicate the need for an amendment described in the Amendment section of this Article rather than a contract revision under this section.

Section 13.18 **Immunity Not Waived.** THE PARTIES EXPRESSLY AGREE THAT NO PROVISION OF THIS CONTRACT IS IN ANY WAY INTENDED TO CONSTITUTE A WAIVER BY DEPARTMENT OR THE STATE OF TEXAS OF ANY IMMUNITIES FROM SUIT OR FROM LIABILITY THAT DEPARTMENT OR THE STATE OF TEXAS MAY HAVE BY OPERATION OF LAW.

Section 13.19 **Hold Harmless and Indemnification.** Contractor, as an independent contractor, agrees to hold Department, the State of Texas, individual state employees and officers, and the federal government harmless and to indemnify them from any and all liability, suits, claims, losses, damages and judgments, and to pay all costs, fees, and damages to the extent that such costs, fees, and damages arise from performance or nonperformance of Contractor, its employees, subcontractors, joint venture participants or agents under this Contract.

Section 13.20 **Waiver.** Acceptance by either Party of partial performance or failure to complain of any action, non-action or default under this Contract shall not constitute a waiver of either Party's rights under this Contract.

Section 13.21 **Technology Accessibility.** If performance under this Contract includes the development, modification or maintenance of a website or other electronic information resources for

DSHS or for the public on behalf of DSHS, Contractor expressly acknowledges that state funds may not be expended in connection with the purchase of electronic information resources unless those resources meet certain statutory and regulatory requirements relating to accessibility by persons with visual, hearing, motor/physical, and cognitive learning disabilities as defined by Section 508 of the Rehabilitation Act of 1973, as amended. Accordingly, Contractor represents and warrants to DSHS that the electronic information resources provided by Contractor to DSHS for purchase are capable, either by virtue of features included within the technology or because they are readily adaptable by use with other technology, of -

a) providing equivalent access for effective use;
b) presenting information, including prompts used for interactive communications; and
c) being integrated into networks for obtaining, retrieving, and disseminating information.

For purposes of this section, the phrase "equivalent access" means a substantially similar ability to communicate with or make use of the electronic information resource, either directly by features incorporated within the technology or by other reasonable means jointly agreed to by DSHS and Contractor, such as assistive devices or services that would constitute reasonable accommodations under the federal Americans with Disabilities Act or similar state or federal laws. Examples of methods by which equivalent access might be provided include, but are not limited to, keyboard alternatives to mouse commands and other means of navigating graphical displays, information retrieval provided in an enhanced auditory fashion, voice commands, touch screen capacity, and customizable display appearance. Electronic information resources under this Contract must comply with 1 Tex. Admin. Code Chapters 206 and 213, as applicable.

ARTICLE XIV BREACH OF CONTRACT AND REMEDIES FOR NON-COMPLIANCE

Section 14.01 **Actions Constituting Breach of Contract.** Actions or inactions that constitute breach of contract include, but are not limited to, the following:

a) failure to properly provide the services and/or goods purchased under this Contract;
b) failure to comply with any provision of this Contract, including failure to comply with all applicable statutes, rules or regulations;
c) failure to pay refunds or penalties owed to the Department;
d) failure to comply with a repayment agreement with the Department or agreed order issued by the Department;
e) failure by Contractor to provide a full accounting of funds expended under this Contract;
f) discovery of a material misrepresentation in any aspect of Contractor's response to the Solicitation Document;
g) any misrepresentation in the assurances and certifications in the Contractor's application or response to the Solicitation Document or in this Contract; or
h) Contractor is on or is added to the Excluded Parties List System (EPLS).

Section 14.02 **General Remedies and Sanctions.** The Department will monitor Contractor for both programmatic and financial compliance. The remedies set forth below are available to the Department against Contractor and any entity that subcontracts with Contractor for provision of

services or goods. HHSC OIG may investigate, audit and impose or recommend imposition of sanctions to Department for any breach of this Contract and may monitor Contractor for financial compliance. The Department may impose one or more remedies or sanctions for each item of noncompliance and will determine sanctions on a case-by-case basis. Contractor is responsible for complying with all of the terms of this Contract. The listing of or use of one or more of the remedies or sanctions listed below does not relieve Contractor of any obligations under this Contract. A state or federal statute, rule or regulation, or federal guideline will prevail over the provisions of this Article unless the statute, rule, regulation, or guideline can be read together with the provision(s) of this Article to give effect to both. If the Contractor breaches this Contract by failing to comply with one or more of the terms of this Contract, including but not limited to compliance with applicable statutes, rules or regulations, the Department may take one or more of the actions listed below:

a) terminate this Contract or a Program Attachment of this Contract as it relates to a specific program type. In the case of termination, the Department will inform Contractor of the termination no less than thirty-one (31) calendar days before the effective date of the termination in a notice of termination. The notice of termination will state the effective date of the termination, the reasons for the termination, and, if applicable, alert the Contractor of the opportunity to request a hearing on the termination pursuant to Tex. Gov. Code Chapter 2105 regarding administration of Block Grants. The Contractor agrees that it shall not make any claim for payment or reimbursement for services provided from the effective date of termination;
b) suspend all or part of this Contract. Suspension is, depending on the context, either (1) the temporary withdrawal of Contractor's authority to obligate funds pending corrective action by Contractor or its subcontractor(s) or pending a decision to terminate or amend this Contract, or (2) an action taken by a suspending official in accordance with Department rules to immediately exclude a person from participating in contract transactions for a period of time, pending completion of an investigation and such legal or debarment proceedings as may ensue. Contractor may not bill DSHS for services performed during suspension, and Contractor's costs resulting from obligations incurred by Contractor during a suspension are not allowable unless expressly authorized by the notice of suspension;
c) deny additional or future contracts or renewals with Contractor;
d) reduce funding if the Contractor fails to provide services or goods consistent with performance expectations described in this Contract;
e) disallow costs and credit for matching funds, if any, for all or part of the activities or action not in compliance;
f) temporarily withhold cash payments. Temporarily withholding cash payments means the temporary withholding of a working capital advance, if applicable, or reimbursements or payments to Contractor for proper charges or obligations incurred, pending resolution of issues of noncompliance with conditions of this Contract or indebtedness to the United States or to the State of Texas;
g) permanently withhold cash payments. Permanent withholding of cash payment means that Department retains funds billed by Contractor for (1) unallowable, undocumented, disputed, inaccurate, improper, or erroneous billings; (2) material failure to comply with Contract provisions; or (3) indebtedness to the United States or to the State of Texas;

h) declare this Contract void upon the Department's determination that this Contract was obtained fraudulently or upon the Department's determination that this Contract was illegal or invalid from this Contract's inception and demand repayment of any funds paid under this Contract;
i) request that Contractor be removed from the Centralized Master Bidders List (CMBL) or any other state bid list, and barred from participating in future contracting opportunities with the State of Texas;
j) delay execution of a new contract or contract renewal with Contractor while other imposed or proposed sanctions are pending resolution;
k) place Contractor on probation. Probation means that Contractor will be placed on accelerated monitoring for a period not to exceed six (6) months at which time items of noncompliance must be resolved or substantial improvement shown by Contractor. Accelerated monitoring means more frequent or more extensive monitoring will be performed by Department than would routinely be accomplished;
l) require Contractor to obtain technical or managerial assistance;
m) establish additional prior approvals for expenditure of funds by Contractor;
n) require additional or more detailed, financial and/or programmatic reports to be submitted by Contractor;
o) demand repayment from Contractor when it is verified that the Contractor has been overpaid, e.g., because of disallowed costs, payments not supported by proper documentation, improper billing or accounting practices, or failure to comply with Contract terms;
p) reduce the funding amount for failure to achieve or maintain the proposed level of service, to expend funds appropriately and at a rate that will make full use of the award, or to provide services or to achieve local match, if required;
q) pursue a claim for damages as a result of breach of contract;
r) require removal of any officer, board member or employee of the Contractor who has been convicted of the misuse of state or federal funds, fraud or illegal acts that are in contraindication to continued obligations under this Contract, as reasonably determined by DSHS;
s) withhold any payments to Contractor to satisfy any recoupment, liquidated damages, or any penalty permitted by statute and imposed by DSHS, and take repayment from funds available under this Contract, active or expired, in amounts necessary to fulfill Contractor's repayment obligations;
t) reduce the Contract term;
u) recoup improper payments when it is verified that the Contractor has been overpaid, e.g., because of disallowed costs, payments not supported by proper documentation, improper billing or accounting practices or failure to comply with Contract terms;
v) assess liquidated damages; or
w) impose other remedies or penalties permitted by statute.

Section 14.03 **Notice of Remedies or Sanctions.** Department will formally notify Contractor in writing when a remedy or sanction is imposed (with the exception of accelerated monitoring, which may be unannounced), stating the nature of the remedies and sanction(s), the reasons for imposing them, the corrective actions, if any, that must be taken before the actions will be removed and the time allowed for completing the corrective actions, and the method, if any, of requesting

reconsideration of the remedies and sanctions imposed. Other than in the case of repayment or recoupment, Contractor is required to file, within fifteen (15) calendar days of receipt of notice, a written response to Department acknowledging receipt of such notice. If requested by the Department, the written response shall state how Contractor shall correct the noncompliance or demonstrate in writing that the findings on which the remedies or sanction(s) are based are either invalid or do not warrant the remedies or sanction(s). If Department determines that a remedy or sanction is warranted, unless the remedy or sanction is subject to review under a federal or state statute, regulation, rule, or guideline, Department's decision is final. Department shall provide written notice to Contractor of Department's decision. If required by the Department, Contractor shall take corrective action. If DSHS determines that repayment is warranted, DSHS will issue a demand letter to Contractor for repayment. If full repayment is not received within the time limit stated in the demand letter, and if recoupment is available, DSHS will recoup the amount due to DSHS from funds otherwise due to Contractor.

Section 14.04 **Emergency Action.** In an emergency, Department may immediately terminate or suspend all or part of this Contract, temporarily or permanently withhold cash payments, deny contract renewal or future contract awards, or delay contract execution by delivering written notice to Contractor, by any verifiable method, stating the reason for the emergency action. An "emergency" is defined as the following:

a) Contractor is noncompliant and the noncompliance has a direct adverse impact on the public or client health, welfare or safety. The direct adverse impact may be programmatic or financial and may include failing to provide services, providing inadequate services, providing unnecessary services, or utilizing resources so that the public or clients do not receive the benefits contemplated by the scope of work or performance measures; or
b) Contractor is expending funds inappropriately.

Whether Contractor's conduct or noncompliance is an emergency will be determined by Department on a case-by-case basis and will be based upon the nature of the noncompliance or conduct.

ARTICLE XV CLAIMS AGAINST THE DEPARTMENT

Section 15.01 **Breach of Contract Claim.** The process for a breach of contract claim against the Department provided for in Tex. Gov. Code Chapter 2260 and implemented in Department Rules §§ 1.431-1.447 shall be used by DSHS and Contractor to attempt to resolve any breach of contract claim against DSHS.

Section 15.02 **Notice.** Contractor's claims for breach of this Contract that the Parties cannot resolve in the ordinary course of business shall be submitted to the negotiation process provided in Tex. Gov Code Chapter 2260, subchapter B. To initiate the process, Contractor shall submit written notice, as required by subchapter B, to DSHS's Office of General Counsel. The notice shall specifically state that the provisions of Chapter 2260, subchapter B, are being invoked. A copy of the notice shall also be given to all other representatives of DSHS and Contractor. Subchapter B is a condition precedent to the filing of a contested case proceeding under Tex. Gov. Code Chapter 2260, subchapter C.

Section 15.03 **Sole Remedy.** The contested case process provided in Tex. Gov. Code Chapter 2260, subchapter C, is Contractor's sole and exclusive process for seeking a remedy for any and all alleged breaches of contract by DSHS if the Parties are unable to resolve their disputes under this Article.

Section 15.04 **Condition Precedent to Suit.** Compliance with the contested case process provided in Tex. Gov. Code Chapter 2260, subchapter C, is a condition precedent to seeking consent to sue from the Legislature under Tex. Civ. Prac. & Rem. Code Chapter 107. Neither the execution of this Contract by DSHS nor any other conduct of any representative of DSHS relating to this Contract shall be considered a waiver of sovereign immunity to suit.

Section 15.05 **Performance Not Suspended.** Neither the occurrence of an event nor the pendency of a claim constitutes grounds for the suspension of performance by Contractor, in whole or in part.

ARTICLE XVI TERMINATION

Section 16.01 **Expiration of Contract or Program Attachment(s).** Contractor's service obligations set forth in each Program Attachment shall end upon the expiration date of that Program Attachment unless extended or renewed by written amendment. Prior to completion of the term of all Program Attachments, all or a part of this Contract may be terminated with or without cause as set forth below.

Section 16.02 **Effect of Termination.** Termination is the permanent withdrawal of Contractor's authority to obligate previously awarded funds before that authority would otherwise expire or the voluntary relinquishment by Contractor of the authority to obligate previously awarded funds. Contractor's costs resulting from obligations incurred by Contractor after termination of an award are not allowable unless expressly authorized by the notice of termination. Upon termination of this Contract or Program Attachment, as applicable, Contractor shall cooperate with DSHS to the fullest extent possible to ensure the orderly and safe transfer of responsibilities under this Contract or Program Attachment, as applicable, to DSHS or other entity designated by DSHS. Upon termination of all or part of this Contract, Department and Contractor will be discharged from any further obligation created under the applicable terms of this Contract or the Program Attachment, as applicable, except for the equitable settlement of the respective accrued interests or obligations incurred prior to termination and for Contractor's duty to cooperate with DSHS. Termination does not, however, constitute a waiver of any remedies for breach of this Contract. In addition, Contractor's obligations to retain records and maintain confidentiality of information shall survive this Contract.

Section 16.03 **Acts Not Constituting Termination.** Termination does not include: (1) withdrawal of funds awarded on the basis of the Contractor's underestimate of the unobligated balance in a prior period; (2) withdrawal of the unobligated balance at the expiration of the term of a Program Attachment; (3) refusal to extend a Program Attachment or award additional funds to make a

competing or noncompeting continuation, renewal, extension, or supplemental award; or (4) voiding of a contract upon determination that the award was obtained fraudulently, or was otherwise illegal or invalid from inception.

Section 16.04 **Termination Without Cause.**

a) Either Party may terminate this Contractor a Program Attachment, as applicable, with at least thirty (30) calendar days prior written notice to the other Party, except that if Contractor seeks to terminate a Contract or Program Attachment that involves residential client services, Contractor must give the Department at least ninety (90) calendar days prior written notice and must submit a transition plan to ensure client services are not disrupted.
b) The Parties may terminate this Contract or a Program Attachment by mutual agreement.
c) Either Party may terminate this Contract or a Program Attachment with at least thirty (30) calendar days prior written notice to the other Party in the event funds become unavailable through lack of appropriations, budget cuts, transfer of funds between programs or health and human services agencies, amendments to the Appropriations Act, health and human services consolidations, or any disruption of current appropriated funding for this Contract or Program Attachment.
d) Department may terminate this Contract or a Program Attachment immediately when, in the sole determination of Department, termination is in the best interest of the State of Texas.

Section 16.05 **Termination For Cause.** Either Party may terminate for material breach of this Contract with at least thirty (30) calendar days written notice to the other Party. Department may terminate this Contract, in whole or in part, for breach of contract or for any other conduct that jeopardizes the Contract objectives, by giving at least thirty (30) calendar days written notice to Contractor. Such conduct may include one or more of the following:

a) a court of competent jurisdiction finds that Contractor has failed to adhere to any laws, ordinances, rules, regulations or orders of any public authority having jurisdiction;
b) Contractor fails to communicate with Department or fails to allow its employees or those of its subcontractor to communicate with Department as necessary for the performance of this Contract;
c) Contractor breaches a standard of confidentiality with respect to the services provided under this Contract;
d) Department determines that Contractor is without sufficient personnel or resources to perform under this Contract or that Contractor is otherwise unable or unwilling to fulfill any of its requirements under this Contract or exercise adequate control over expenditures or assets;
e) Department determines that Contractor, its agent or another representative offered or gave a gratuity (e.g., entertainment or gift) to an official or employee of DSHS or HHSC for the purpose of obtaining a contract or favorable treatment;
f) Department determines that this Contract includes financial participation by a person who received compensation from DSHS to participate in developing, drafting or preparing the specifications, requirements or statement(s) of work or Solicitation Document on which this Contract is based in violation of Tex. Gov. Code § 2155.004;
g) Contractor appears to be financially unstable. Indicators of financial instability may include one or more of the following:
    1) Contractor fails to make payments;
    2) Contractor makes an assignment for the benefit of its creditors;

3) Contractor admits in writing its inability to pay its debts generally as they become due;
4) if judgment for the payment of money in excess of $50,000 (that is not covered by insurance) is rendered by any court or governmental body against Contractor, and Contractor does not (a) discharge the judgment or (b) provide for its discharge in accordance with its terms, or (c) procure a stay of execution within thirty (30) calendar days from the date of entry of the judgment, and within the thirty (30)-day period or a longer period during which execution of the judgment has been stayed, appeal from the judgment and cause the execution to be stayed during such appeal while providing such reserves for the judgment as may be required under generally accepted accounting principles;
5) a writ or warrant of attachment or any similar process is issued by any court against all or any material portion of the property of Contractor, and such writ or warrant of attachment or any similar process is not released or bonded within thirty (30) calendar days after its entry;
6) Contractor is adjudicated bankrupt or insolvent;
7) Contractor files a case under the Federal Bankruptcy Code or seeks relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, receivership or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any case or petition against it under any such law;
8) any property or portion of the property of Contractor is sequestered by court order and the order remains in effect for more than thirty (30) calendar days after Contractor obtains knowledge thereof;
9) a petition is filed against Contractor under any state reorganization, arrangement, insolvency, readjustment of debt, dissolution, receivership or liquidation law of any jurisdiction, whether now or hereafter in effect, and such petition is not dismissed within thirty (30) calendar days;
10) Contractor consents to the appointment of a receiver, trustee, or liquidator of Contractor or of all or any part of its property; or

h) Contractor's management system does not meet the UGMS management standards.

Section 16.06 **Notice of Termination.** Either Party may deliver written notice of intent to terminate by any verifiable method. If either Party gives notice of its intent to terminate all or a part of this Contract, Department and Contractor shall attempt to resolve any issues related to the anticipated termination in good faith during the notice period.

ARTICLE XVII VOID, SUSPENDED, AND TERMINATED CONTRACTS

Section 17.01 **Void Contracts.** Department may hold this Contract void upon determination that the award was obtained fraudulently or was otherwise illegal or invalid from its inception.

Section 17.02 **Effect of Void, Suspended, or Involuntarily Terminated Contract.** A Contractor who has been a party to a contract with DSHS that has been found to be void, suspended, or

terminated for cause is not eligible for expansion of current contracts, if any, or new contracts or renewals until the Department has determined that Contractor has satisfactorily resolved the issues underlying the suspension or termination. Additionally, if this Contract is found to be void, any amount paid is subject to refund.

Section 17.03 **Appeals Rights.** Pursuant to Tex. Gov. Code § 2105.302, after receiving notice from the Department of termination of a contract with DSHS funded by block grant funds, Contractor may request an administrative hearing under Tex. Gov. Code Chapter 2001.

ARTICLE XVIII CLOSEOUT AND CONTRACT RECONCILIATION

Section 18.01 **Cessation of Services At Closeout.** Upon expiration of this Contract or Program Attachment, as applicable, (and any renewals of this Contract or Program Attachment) on its own terms, Contractor shall cease services under this Contract or Program Attachment and shall cooperate with DSHS to the fullest extent possible to ensure the orderly and safe transfer of responsibilities under this Contract to DSHS or other entity designated by DSHS. Upon receiving notice of Contract or Program Attachment termination or non-renewal, the Contractor agrees to immediately begin to transition recipients of services to alternative service providers, as needed. Contractor also agrees to completely cease providing services under this Contract or Program Attachment by the date specified in the termination or non-renewal notice. Contractor shall not bill DSHS for services performed after termination or expiration of this Contract or Program Attachment, or incur any additional expenses once this Contract or Program Attachment is terminated or has expired. Upon termination, expiration or non-renewal of this Contract or a Program Attachment, Contractor shall immediately initiate Closeout activities described in this Article.

Section 18.02 **Administrative Offset.** The Department shall have the right to administratively offset amounts owed by Contractor against billings.

Section 18.03 **Deadline for Closeout.** Contractor shall submit all financial, performance, and other Closeout reports required under this Contract within sixty (60) calendar days after the Contract or Program Attachment end date. Unless otherwise provided under the Final Billing Submission section of the Payment Methods and Restrictions Article, the Department is not liable for any claims that are not received within sixty (60) calendar days after the Contract or Program Attachment end date.

Section 18.04 **Payment of Refunds.** Any funds paid to the Contractor in excess of the amount to which the Contractor is finally determined to be entitled under the terms of this Contract constitute a debt to the Department and will result in a refund due. Contractor shall pay any refund amount due within the time period established by the Department.

Section 18.05 **Disallowances and Adjustments.** The Closeout of this Contract or Program Attachment does not affect the Department's right to disallow costs and recover funds on the basis of a later audit or other review or the Contractor's obligation to return any funds due as a result of later refunds, corrections, or other transactions.

Section 18.06 **Contract Reconciliation.** If Contractor is required to annually reconcile multi-year contracts, Contractor, within sixty (60) calendar days after the end of each year of this Contract, shall

submit to the Division Contract Management Unit assigned to the Program Attachment all financial and reconciliation reports required by Department in forms as determined by Department. Required reconciliation forms and reports may include the following: Cash Match Participation Form, In-kind Match Participation Form, Program Income Report, Equipment Inventory, Controlled Items Inventory, Contractor's Release Agreement, and Reconciliation Refund Remittance Form. Any additional forms or reports required by Department shall be posted on the DSHS website prior to the reconciliation period. Unless otherwise directed by Department, all forms and reports must be submitted in hard copies, with original signatures if required, to DSHS by the due date.

CONTRACT NO. 2009-030087-
PROGRAM ATTACHMENT NO. 001
PURCHASE ORDER NO. 0000344017

CONTRACTOR: HIDALGO COUNTY HEALTH AND HUMAN SERVICES

DSHS PROGRAM NSS-WIC LOCAL AGENCY-NOIMM

TERM: 10/01/2008 THRU: 09/30/2009

SECTION I. STATEMENT OF WORK:

Contractor shall administer the Department of State Health Services (DSHS) Special Supplemental Nutrition Program for Women, Infant, and Children (WIC) to provide supplemental food instruments, nutrition education, and counseling to enhance good health care at no cost to low-income pregnant and postpartum women, infants and children identified to be at nutritional risk. Contractor shall complete the following:

A. Perform professional, administrative and clerical services necessary to determine eligibility, provide food instruments, and provide appropriate nutrition education and counseling to qualified women, infants and children in a specified geographic area. Contractor shall ensure adequate staff coverage and uninterrupted delivery of services. Services shall be performed according to the terms and specifications of DSHS Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and/or the United States Department of Agriculture (USDA) as referenced in this contract Attachment. During the term of this contract Attachment, USDA will issue regulations, instructions, policies and/or directives, which may be incorporated into the DSHS WIC Program Policy and Procedures Manual and program rules.

   Contractor shall provide services in the authorized geographic service area(s) described in Contractor's application and agreed to by DSHS. Contractor can change the authorized geographic service area(s) with written approval from DSHS. If DSHS disagrees on change of geographic service area(s), Contractor may terminate this contract Attachment with at least thirty (30) days written notice.

B. Assist in the collection of data that will identify benefits of this nutrition intervention program and furnish financial, health, nutrition education and any other special reports in a timely manner as required by DSHS WIC Program's written rules and policies for the compilation of such data.

C. Determine eligibility of applicants through assessment of their categorical income, residence and nutritional status, and provide nutrition education and counseling to eligible participants.

D. Appoint a Contractor WIC Director/Supervisor.

E. Train Contractor's Local Agency staff.

F. Submit the following reports/plans by the due date:

1. Monthly Incentive Funding Summary Report by the 15th day of the following month;
2. WIC Local Agency Performance Measure Report by the 15th day of the following month; and
3. WIC Information System Environment (WISE) Cost Report by April 30, 2009.

G. Conduct outreach to potential participants.

H. Complete surveys as requested.

I. Complete WIC Vendor Evaluation Forms and return to the DSHS within twenty-one (21) days of receipt or approved extension.

J. Determine participants' access to health care, medical care and other human services, and make appropriate referrals. Contractor shall have a system in place to provide participants with appropriate health services or make appropriate referrals to health care providers under written agreements that ensure confidentiality of participants' personal information.

K. Issue pre-numbered food instruments furnished by DSHS to qualified participants who shall use such instruments to obtain specified food items from participating vendors; maintain complete accountability and security of all food instruments received from DSHS. Contractor shall be held financially responsible for all unaccounted for food instruments and/or for the redeemed value of those issued to ineligible participants. In addition, Contractor shall be held financially liable for issuance of infant formula instruments that are not authorized or prescribed according to the WIC Policy and Procedures Manual.

L. Permit DSHS or its agent to install a Very Small Aperture Terminal (VSAT) at all Contractor WIC clinics and administrative offices using Texas-WIN software on a network or stand alone personal computer. Installation at all Contractor permanent WIC sites is required. VSAT installation for new sites or sites moving from one location to another requires a minimum of 30 days notice.

Connect portable computers (notebook or laptop) that use Texas-WIN software daily to a (VSAT) and transfer data to DSHS. Daily is defined as Monday – Friday and Saturday if WIC services are provided. Portable computers may go to any of the Contractor's WIC sites for data transfer.

M. Review the immunization records of WIC Program applicants/participants to ensure that immunizations are current. Make appropriate referrals to health care providers for necessary immunizations.

N. Offer services during extended hours of operation outside the traditional times of 8:00 a.m. to 5:00 p.m., Monday through Friday, according to the Contractor's Annual Plan of Operations as approved by DSHS and incorporated by reference.

O. Implement or expand Contractor's Breastfeeding Peer Counseling program to provide training and salary of peer counselors who assist pregnant and breastfeeding WIC participants in normal breastfeeding situations. This funding item is contingent upon availability and whether participation is requested by Contractor and approved in writing by DSHS.

P. Implement special projects according to DSHS-approved plan related to nutrition education, outreach or breastfeeding if project is requested by Contractor and approved by DSHS. Funding for special projects is contingent upon availability and approval of the Contractor's plan for the special project in writing by DSHS.

Q. Implement lactation services for WIC participants who have breastfeeding problems that are beyond the expertise of Contractor's local WIC staff and/or peer counselors using International Board Certified Lactation Consultants or the most qualified equivalent. Lactation services may also include Contractor's Local WIC Agency staff training and the provision of lactation equipment. DSHS will provide written approval of Contractor's plan to use lactation funding. Contractor's plan shall include qualifications of any non-board certified lactation consultant, which is included in the proposal.

R Ensure adequate staff coverage and uninterrupted delivery of WIC services if any member of Contractor's staff is approved in writing by DSHS to participate in DSHS Dietetic Internship program. This internship will consist of no less than 900 hours of supervised learning experiences in a variety of nutrition-related facilities and will prepare Contractor's selected staff member to better meet the needs of WIC participants.

S. Stock DSHS-provided manual pumps, single-user and multi-user electric breast pumps and collection kits and distribute the appropriate pumps and/or kits to eligible WIC participants.

T. Implement or expand Contractor's use of a Registered Dietitian (RD) to provide an array of technical services. Obtain the services of a RD who is registered with the Commission on Dietetic Registration to provide services for Contractor such as: assistance with quality assurance, staff training, assistance with the Annual Nutrition Education and Breastfeeding plan, individual counseling for high-risk participants, and facilitated discussion classes.

Contractor shall comply with all applicable federal and state laws, rules, regulations, standards, and guidelines in effect on the beginning date of this Attachment as amended, including, but not limited to:

1. Uniform Federal Assistance Regulations, 7 CFR Parts 15, 15a, 15b, 246, 248, 3016, 3017 and 3018;
2. WIC Program and Farmers' Market Nutrition Program Rules, 25 Texas Administrative Code, §§ 31.11-31.37; and
3. Child Nutrition Act of 1966, as amended, 42 USC 1786.

The following documents are incorporated by reference and made a part of this contract Attachment:

1. DSHS Standards for Public Health Clinic Services, revised January 31, 2004;
2. USDA Food and Nutrition Service (FNS) Guidelines;
3. USDA FNS Instructions issued under the FNS Directives Management System; and
4. Current WIC Policy and Procedures Manual.

Within thirty (30) days of receipt of an amended standard(s) or guideline(s), Contractor shall inform DSHS, in writing, if it shall not continue performance under this contract Attachment in compliance with the amended standard(s) or guideline(s). DSHS may terminate the contract Attachment immediately or within a reasonable period of time as determined by DSHS.

All activities related to WIC, including timeframes, budget, and any revisions shall be approved by DSHS.

SECTION II. PERFORMANCE MEASURES

The following performance measures will be used to assess, in part, Contractor's effectiveness in providing the services described in this contract Attachment, without waiving the enforceability of any of the other terms of the contract.

Contractor shall ensure:

1) An average of 95% of families a quarter who participate in DSHS WIC Program by receiving food instruments shall also receive nutrition education classes or individual counseling services to coincide with food instrument issuance;

2) Of all pregnant women who enter DSHS WIC Program, an average of 20% a quarter shall be certified as eligible during the period of the first trimester of their pregnancy;

3) An average of 85.5% of clients a quarter who are enrolled in DSHS WIC Program, excluding dual participants, transfer locked and/or migrant clients, shall participate as food instrument recipients each month (breast-feeding infants are also included in the client count); and

4) 98% of participants who indicate during the enrollment process of DSHS WIC Program that they have no source of health care shall be referred to at least one (1) source of health care at certification of eligibility.

Contractor shall submit the *WIC Local Agency Performance Measure Report* which describes Contractor's efforts towards meeting assigned annual targets as described in items 1-4 of the performance measures. The report shall be in an approved format as provided by DSHS, and shall be completed and submitted to DSHS within fifteen (15) calendar days after the end of each month.

SECTION III. SOLICITATION DOCUMENT: N/A

SECTION IV. RENEWALS: DSHS may renew this contract for one renewal period if funds are available.

SECTION V. PAYMENT METHOD: Cost Reimbursement

SECTION VI. BILLING INSTRUCTIONS:

Contractor shall request payment using the State of Texas Purchase Voucher (Form B-13) and Financial Status Reports (FSR) and submit by electronic mail to DSHS Contract Development and Support Branch at WicVouchers@dshs.state.tx.us

SECTION.VII. BUDGET:

SOURCE OF FUNDS: CFDA # 10.557

All categories of costs billed to DSHS WIC Program, and allocation of such costs, shall be in accordance with the "Plan to Allocate Direct Costs" (PADC) submitted by Contractor and approved by DSHS WIC Program. This document is incorporated herein by reference and made a part of this contract Attachment.

SECTION VIII. SPECIAL PROVISIONS:

General Provisions, **Compliance and Reporting** Article, Section 1.07, **Statutes and Standards of General Applicability,** is hereby amended to include the following:

> All provisions required by implementing the regulations of the Department of Agriculture, 7 CFR Part 246, 248; Department of Justice Guidelines for Enforcement of Title VI, Civil Rights Act of 1964; 28 CFR § 50.3 and 28 CFR Part 42; and Food & Nutrition Service (FNS) directives and guidelines, to the effect that no person will, on the grounds of race, color, national origin, sex, age, or disability be excluded from participation under any program or activity for which Contractor receives federal financial assistance from FNS; and hereby gives assurance that it shall immediately take measures necessary to implement this contract Attachment.
>
> Contractor shall compile data, maintain records and submit reports, as required, to permit effective enforcement of the nondiscrimination laws and permit authorized USDA and State of Texas personnel, during normal working hours, to review such records, books, and accounts as needed to ascertain compliance with the nondiscrimination laws. The

Department of Agriculture, Food and Nutrition Service (USDA), has the right to seek judicial enforcement if Contractor violates any nondiscrimination laws. This Assurance is binding on Contractor, its successors, transferees, and assignees, as long as they receive assistance or retain possession of any assistance from the Department of Agriculture. The person or persons whose signatures appear on the Core Contract are authorized to sign this Assurance on behalf of Contractor.

Contractor shall comply with all of the requirements of the current WIC Policy and Procedures Manual and Program rules as well as state and federal laws and amendments governing or regulating the WIC Program. A copy of the current WIC Policy and Procedures Manual has been made available to Contractor. The WIC Policy and Procedures Manual, and all revisions made to the WIC Policy and Procedures Manual are incorporated into this Agreement by reference. Contractor has a duty to become familiar with the contents and procedures contained within the WIC Policy and Procedures Manual.

Contractor is responsible for ensuring that employees or agents acting on behalf of Contractor comply with all of the requirements of the WIC Policy and Procedures Manual, Program rules and all state and federal laws and amendments governing and regulating the WIC Program.

General Provisions, **Payment Methods and Restrictions** Article, Section 4.01, **Payment Methods**, is hereby modified to include the following paragraphs:

The participant caseload will be assigned by DSHS by giving written notice to Contractor. The participant caseload is subject to change upon written notice to Contractor from DSHS with Contractor's concurrence. Contractor assumes liability for all food costs resulting from Contractor exceeding its assigned caseload. The number of individuals served in excess of assigned caseload are not to be included in the calculation of earned administrative funds as described below.

DSHS will reimburse Contractor for administrative costs incurred when determining eligibility, providing appropriate nutrition education and counseling, issuing food instruments, making participant referrals, vendor evaluation, outreach, start-up costs and general administrative support.

Administrative costs will be reimbursed based on actual costs, but not to exceed the "maximum reimbursement" set out below, based upon the sum of the participants who actually receive food instruments each month plus infants who do not receive any food instruments whose breastfeeding mothers were participants to the extent that the total so derived does not exceed Contractor's total assigned caseload within any given month. Surplus funds (the amount by which maximum reimbursements exceed actual costs) can be accumulated and carried forward within the contract Attachment term. Surplus encumbered by September 30 shall be billed and vouchers received by DSHS no later than sixty (60) calendar days following the term of the program attachment.

PARTICIPANTS SERVED PER MONTH MAXIMUM REIMBURSEMENT:

During the term of the contract Attachment, Contractor shall earn administrative funds at the rate of $10.45 for each participant served as defined above.

DSHS may pay for additional goods or services as specified in this Attachment if provided by Contractor during the term of this Attachment (but not otherwise paid during the term of this Attachment) if it is in the best interest of DSHS to do so, and funds are available.

The Contractor will be notified if a change in funding occurs and will have thirty (30) days to provide written notice to the DSHS if it intends to terminate this contract Attachment.

Contractor agrees that:

(1) Contractor shall identify and document separately not less than 19% of total administrative costs as expenditures directly related to nutrition education and counseling. If within the fiscal year, the contractor implements the Electronic Benefits Transfer (EBT) system, this requirement will not apply for the month of implementation and the following three months. Nutrition education and counseling expenditures shall be supported by documentation of participant attendance or non-attendance within the DSHS WIC Program.

(2) DSHS will reimburse Contractor for administrative expenses at a rate not greater than 5.26 times the amount of properly documented expenditures for nutrition education and counseling, but not more than is earned based on actual participation not to exceed Contractor's assigned participant caseload, plus any incentive funds allocated to Contractor by DSHS. However, if the contractor implements the Electronic Benefits Transfer (EBT) system, this requirement will not apply for the month of implementation and the following three months.

(3) DSHS will limit (cap) Contractor's indirect costs to twenty (20) percent applied to Contractor's total direct salaries plus benefits reimbursed by DSHS.

(4) DSHS will identify annually to Contractor an amount of funds that shall be spent for breastfeeding promotion. The allocation of breastfeeding funds to Contractor will be based on Contractor's proportional share of the statewide combined total of pregnant and breastfeeding participants as reported to DSHS WIC Program.

(5) DSHS WIC Program also reserves the right to withhold a proportionate amount of earned administrative funds when evidence exists that nutrition education and/or breastfeeding promotion is not being provided by Contractor, or Contractor is not complying with the provisions of USDA and/or DSHS directives.

(6) DSHS may renew this contract agreement for each subsequent fiscal year.

(7) DSHS reserves the right to utilize a competitive offering for the award of any future contracts at the end of the term of this contract Attachment.

(8) DSHS may amend or terminate this contract Attachment if available funds become reduced, depleted, or unavailable during the term of the contract Attachment to the extent that the WIC Program is unable to provide administrative funding at the rate(s) shown above. DSHS will provide written notification to Contractor of such fact.

(9) DSHS may pay for additional services as specified in this contract Attachment if provided by Contractor during the term of this contract Attachment (but not otherwise paid during the term of this contract Attachment) if it is in the best interest of DSHS and DSHS WIC Program to do so. If Contractor exceeds the amount of earned administrative funds as stated above, Contractor shall continue to bill DSHS for the services provided. If additional funds become available at a later date for the provision of these services, DSHS WIC Program may pay Contractor a share of these funds.

(10) DSHS may provide incentives to Contractor's Local WIC Agencies for participants who are provided WIC services outside the normal traditional hours to the extent that federal funding is available.

(11) DSHS may adjust the base reimbursement rate defined above during the term of this contract Attachment if it is in the best interest of DSHS and DSHS WIC Program and if administrative WIC Grant funds change.

Contractor shall indicate separately on the face of the claim for reimbursement (State of Texas Purchase Voucher, Form B-13) the costs associated with nutrition education, breast-feeding, and other administrative costs.

General Provisions, **Payment Methods and Restrictions** Article, Section 4.04, **Working Capital Advance**, is not applicable to this contract Attachment. However, Contractor will be allowed the option of receiving a two (2) month cash advance in accordance with WIC Program Policy and Procedures.

General Provisions, **Records Retention** Article, Section 8.01, **Retention** shall be replaced with the following:

Recordkeeping requirements. Contractor shall maintain full and complete records concerning Program operations. Such records shall comply with 7 CFR Part 3016 and the following requirements:

(1) Records shall include, but not be limited to, information pertaining to financial operations, food delivery systems, food instrument issuance and redemption, equipment purchases and inventory, certification, nutrition education, civil rights and fair hearing procedures.

(2) All records shall be retained for a minimum of three years following the date of submission of the final expenditure report for the period to which the report pertains. If any litigation, claim, negotiation, audit or other action involving the records has been started before the end of the three-year period, the records shall be kept until all issues are resolved, or until the end of the regular three-year period, whichever is later. If USDA deems any of the WIC program records to be of historical interest, it may require DSHS or the Contractor to forward such records to the USDA whenever either entity is disposing of them.

(3) Records for nonexpendable property acquired in whole or in part with WIC program funds shall be retained for three years after its final disposition.

(4) All records shall be available during normal business hours for representatives of the USDA, DSHS, and the Comptroller General of the United States to inspect, audit, and copy. Any reports or other documents resulting from the examination of such records that are publicly released may not include confidential applicant or participant information.

General Provisions, **Notice Requirements** Article, Section 10.01, **Child Abuse Reporting Requirement,** is hereby amended to include the following:

If Contractor chooses to interview a client to determine if an affirmative defense to prosecution exists, **as defined by DSHS**, which would allow them under the DSHS policy to not make a report of child abuse, the Contractor shall conduct these interviews in the following manner:

- For ineligible clients, the interview shall be conducted after the entire WIC visit is done. For eligible clients, the interview may occur at the point in time when all WIC activities, including communication of eligibility and individual counseling, are completed with the exception of food voucher issuance.
- The interview shall be conducted only by a competent authority or a supervisor and in a confidential setting.
- Prior to asking the client any questions, the interviewer shall inform the client that the questions have no bearing on their WIC eligibility and receipt of services.

General Provisions, **General Business Operations of Contactor** Article, Section 12.02, **Management and Control Systems**, Item a, regarding internal budgeting and Item c, regarding billing, collection, and fee schedules are not applicable to this contract Attachment.

General Provisions, **General Business Operations of Contractor** Article, Section 12.06, **Overtime Compensation**, is not applicable to this contract Attachment.

General Provisions, **General Business Operations of Contractor** Article, Section 12.20, **Equipment and Controlled Assets Purchases**, last three sentences of this section are not applicable to this contract attachment.

General Provisions, **General Business Operations of Contractor** Article, Section 12.23, **Property Inventory and Protection of Assets**, is amended to include the following:

Contractor shall also maintain an inventory of equipment and designated reportable assets placed in the custody of the Contractor by DSHS. Contractor shall submit an annual cumulative report to DSHS Property Management Group in a format and delivery date designated by DSHS. Contractor shall administer a program of maintenance, repair and protection of assets under this Contract so as to assure their full availability and usefulness. In the event Contractor is indemnified, reimbursed, or otherwise compensated for any loss of, destruction of, or damage to the assess provided under this Contract, it shall use the proceeds to repair or replace said assets.

General Provisions, **General Business Operations of Contractor** Article, Section 12.26, **Property Acquisitions,** is not applicable to this contract attachment.

TEXAS DEPARTMENT OF STATE HEALTH SERVICES

CERTIFICATION REGARDING LOBBYING

CERTIFICATION FOR CONTRACTS, GRANTS, LOANS AND COOPERATIVE AGREEMENTS

The undersigned certifies, to the best of his or her knowledge and belief that:

(1) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or an employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant. loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less that $10,000 and not more than $100,000 for each such failure.

Signature

Date

Print Name of Authorized Individual

2009-030087

Application or Contract Number

HIDALGO COUNTY HEALTH AND HUMAN SERVICES

Organization Name

AI-11336 **14.A.**

LRGVDC- Interlocal (Project SWEEP Local Enforcement Implementation Project)

CC REGULAR

Date: 09/30/2008
Submitted By: Rachel Cavazos, CONSTABLE PCT. #3
Department: CONSTABLE PCT. #3
Agenda Area: Constables **Purchasing only:** Constables

Information

CAPTION

1. Acceptance and approval of the Interlocal Contract between County of Hidalgo and Lower Rio Grande Valley Development Council (LRGVDC) from September 1, 2008 thru August 31, 2009 Law Enforcement Implementation Project Contract. Contract Number 09-21-G16.
2. Approval of appropriation of funds for the LRGVDC FY9 (Project Sweep 8-1285-421-00-293-006-8-XXX) in the amount of $30,000.00.
3. Approval of salary schedules.

BACKGROUND

No County Match.

Fiscal Impact

FISCAL YEAR: 2009 **ACCT. #:** 8-1285-421-00-293-006-9-XXX
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Revenue Account: 8-1285-334-00-293-006-8-000
No County Match.

Attachments

Link: Interlocal contract agreement
Link: Salary Schedules
Link: budget appropriation

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/26/2008 09:22 AM	APRV
2	Rosalinda Cantu	Rosie Cantu	09/26/2008 04:40 PM	APRV
3	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Rachel Cavazos Started On: 09/23/2008 04:46 PM

Final Approval Date: 09/26/2008

Lower Rio Grande Valley Development Council

Arturo Ramirez, Grassroots Organizations ..... President
Commissioner John Ingram, McAllen ..... 1st Vice-President
Mayor Chris Boswell, Harlingen..... 2nd Vice-President
Mayor Pro-Tem Alvin Samano, Member-at-Large ..... Secretary
Commissioner Sylvia Handy, Hidalgo County ..... Treasurer
Hon. Norma G. Garcia, Member-at-Large ..... Immediate Past President

BOARD MEMBERS

Edna Tamayo
Commissioner, Cameron County

Emilio Vera, Jr.
Commissioner, Willacy County

Roel Landa
Commissioner, Alamo

Carlos A. Cisneros
Commissioner, Brownsville

David S. Simmons
Mayor, Donna

Eddy Gonzalez
Mayor, Pro-Tem, Edcouch

Gus Garcia
Council Member, Edinburg

Steve Brewer
Mayor, La Feria

Joel Quintanilla
Mayor, Mercedes

Norberto "Beto" Salinas
Mayor, Mission

Leo "Polo" Palacios, Jr.
Mayor, Pharr

Orlando Correa
Mayor, Raymondville

Joe Hernandez
Mayor, San Benito

Lupe Rodriguez
Mayor Pro-Tem, San Juan

Buddy de la Rosa
Mayor, Weslaco

Dr. J. Gilbert Leal
President, TSTC, Harlingen

Roberto Loredo
Donna I.S.D.

Gale Armstrong
El Jardin Water Supply

Michael G. Wilson
Willacy Navigation District

Don Medina
Member-at-Large

EXECUTIVE DIRECTOR
Kenneth N. Jones, Jr.

August 18, 2008

RECEIVED
AUG 20 2008
COUNTY JUDGE

Honorable J.D. Salinas
Hidalgo County
PO Box 1356
Edinburg, TX 78540

RE: Implementation Project Contract

Dear Judge Salinas:

The LRGVDC has received authorization from TCEQ to proceed with the inter-local agreement contract on the Solid Waste Projects.

Enclosed please find two (2) original contracts for your implementation project that has been approved by the LRGVDC and TCEQ. Please review the contracts carefully, sign all contracts and return to the LRGVDC for signature. Pay close attention to Article 3… Reporting Requirements & Attachment E, Article 8…Audit/Access to Records. Upon final execution we will forward an original copy for your files. For your convenience, all necessary report forms are posted on our website lrgvdc.org, under Environmental. We have also posted a power point presentation that will walk you through reporting requirements. All contract requirements must be fulfilled to receive the complete grant award and remain in good standing.

If you have any other questions or concerns please do not hesitate to call me.

Sincerely,

Marcie Oviedo
Program Administrator

cc: Larry Gallardo

Lower Rio Grande Valley Development Council (LRGVDC)
INTERLOCAL CONTRACT

CONTRACT SIGNATURE PAGE

Contract Name	**Local Enforcement Implementation Project**
Contract No.	**09-21-G16**
Performing Party	**Hidalgo County**

Maximum LRGVDC Obligation Amount:
Maximum LRGVDC obligation under this contract shall not exceed: Thirty-Thousand Dollars ($30,000.00). Note that this obligation is dependent upon other provisions incorporated herein.

	Effective Date	Expiration Date
Contract Period	September 1, 2008	August 31, 2009
Extension Period		

The **Lower Rio Grande Valley Development Council (LRGVDC)** and the named **Performing Party** enter this agreement (Contract) for the cooperative conduct of authorized governmental functions and activities. The Parties agree: Performing Party will conduct the Contract Activities; LRGVDC will reimburse authorized Allowable Costs subject to the Texas Uniform Grant Management Standards; Performing Party is not a vendor of goods and services under Texas Government Code Chapter 2251; the contract may be terminated by a party with written notice.

Parties to Contract:	**Receiving Agency:** Lower Rio Grande Valley Development Council (LRGVDC)	**Performing Party:** Hidalgo County
By (Authorized Signature)		
Printed Name:	Kenneth N. Jones	Judge J.D. Salinas
Title:	Executive Director	Hidalgo County Judge
Date of Signature:		
Contract Manager Name Contact Numbers Contact Name and Address	Marcie Oviedo (956) 682-3481 LRGVDC 311 N. 15th Street McAllen, TX 78501	Lazaro Gallardo, Jr. (956) 581-6800 Hidalgo County 730 North Breyfogle, Suite B Mission, TX 78572

This contract is in furtherance of the Solid Waste Contract Number 582-8-86692 between TCEQ and LRGVDC. TCEQ has certified that is has the authority to contract with Lower Rio Grande Valley Development Council of Governments by authority granted in the Current Appropriations Act; Texas Water Code, sections 5.229 and 361.014 of the Texas Health and Safety Code. Funds for this sub-contract are provided from the Municipal Solid Waste Disposal and Transportation Revenue Fee.

Table of Contents

Attachment A Special Contract Provisions

Article 1 Scope of Services

Article 2 LRGVDC Obligations
Article 2.1 Measure of LRGVDC Liability
Article 2.2 Limitation of LRGVDC Liability

Article 3 Reporting Requirements
Article 3.1 Progress Reports
Article 3.2 Results Reports
Article 3.3 Close-out Progress and Results Report
Article 3.4 Follow-up Summary Results Report
Article 3.5 Other Reports

Article 4 Monitoring Requirements

Article 5 Equipment

Article 6 Compliance with Applicable Laws

Article 7 Supplemental Funding Standards

Article 8 Budget and Payment Procedures

Article 9 Financial Administration of Pass-Through Grant

Article 10 Authorized Representatives

Article 11 Program Education/Promotion

Attachment B PERFORMING PARTY Budget and Authorizations

Attachment C Work Program of PERFORMING PARTY

Attachment D Schedule of Deliverable of PERFORMING PARTY

Attachment E General Contract Provisions

Article 1 Records and Documentation
Article 2 Legal Authority
Article 3 Scope of Service
Article 4 Purpose
Article 5 Types of Solid Waste Implementation Projects & Applicants
Article 6 Arrears of Waste Disposal Fees
Article 7 Insurance and Liability
Article 8 Audit/Access to Records
Article 9 Accounting System

Article 10 Americans with Disabilities Act
Article 11 Utilization of Small, Minority, and Women's Business Enterprises
Article 12 Energy Efficiency Standards
Article 13 Acknowledgment of Financial Support
Article 14 Amendment to Contract
Article 15 Termination of Contract
Article 16 Severability
Article 17 Intellectual Property
Article 18 Data and Publicity
Article 19 Dispute Resolution
Article 20 Oral and Written Agreements
Article 21 Employment Practices
Article 22 Force Majeure
Article 23 Funding under this Agreement Subject to Funds in the MSWDTRF
Article 24 Safety and Protection
Article 25 Hazardous Substances, Waste Disposal and Manifests
Article 26 Conflict of Interest
Article 27 Survival Obligations
Article 28 Contractual Costs
Article 29 Schedule of Remedies available to FUNDING AGENCY
Article 30 Entire Contract
Article 31 Headings
Article 32 Procurement
Article 33 Order of Preference

Attachment A Special Contract Provisions

Article 1 Scope of Services

All parties agree that the PERFORMING PARTY, in consideration of compensation hereinafter described, shall provide the service with LRGVDC as specifically described in Work Program (Attachment C) according to the Special and General Contract Provisions in a time-frame as indicated in the Schedule of Deliverable (Attachment D) of this Solid Waste Inter-local Agreement. The PERFORMING PARTY agrees to implement the project according to the agreed upon budget shown in Attachment B of this agreement.

Article 2 LRGVDC Obligations

Article 2.1 Measure of LRGVDC Liability

a. Upon review and approval of a Request for Reimbursement voucher submitted by the PERFORMING PARTY, LRGVDC will make payment to the PERFORMING PARTY against LRGVDC liabilities to be accrued hereunder which are conditioned upon the Budget and Payment Procedures Section and any other provisions contained herein this contract that may limit the payment of any liabilities of LRGVDC.

b. Except as specifically authorized by LRGVDC in writing, LRGVDC is liable only for expenditures made in compliance with the cost principles and administrative requirements set forth in Federal OMB Circular A-87 and the Uniform Grant and Contract Management Standards (UGCMS).

c. The LRGVDC will coordinate with the PERFORMING PARTY and TCEQ regarding public awareness.

d. The LRGVDC will provide templates to the PERFORMING PARTY for educational flyers as they are made available by TCEQ.

e. The LRGVDC will respond to inquiries for technical assistance and information made by the PERFORMING PARTY.

Article 2.2 Limitation of LRGVDC Liability

a. The PERFORMING PARTY will become the owner/operator of any equipment listed in Budget and Authorizations Sheet (Attachment B of this contract). The LRGVDC shall have no responsibility or liability for the operation of the said equipment or PERFORMING PARTY'S executive of tasks included in the Work Program of Attachment C. Further, the LRGVDC's sole responsibility shall be limited to funding the project, except as stated in Article 2.1.

b. The owner/operator (PERFORMING PARTY) will be responsible for purchasing any equipment, supplies, and contractual services as listed in the Budget and Authorizations Sheet (Attachment B of this contract). Note that reimbursable expenses adhere to provisions in this contract such as those listed in prohibited uses and activities and equipment requirements.

c. No obligations exist under this contract, with respect to the LRGVDC, for payments of any kind to the owner/operator, except as such payments relate to the authorized reimbursable owner/operator incurred expenditures, located in Budget and Authorizations Sheet (Attachment B) of this contract, and further explained in Budget and Payment Procedures sections, necessary to carry out those activities identified or described in the contract, subject to the following:

1. LRGVDC is not liable for any cost incurred by PERFORMING PARTY in the performance of this agreement, which have not been billed to LRGVDC within fifteen days following termination of this agreement.

2. LRGVDC is not liable for expenditures made in violation of General Provisions for Texas Commission on Environmental Quality List of Prohibited Activities, Article 7 which outlines prohibited activities as defined by the Texas Commission on Environmental Quality (TCEQ).

3. LRGVDC is not liable to PERFORMING PARTY for costs incurred or performance rendered by PERFORMING PARTY before commencement of this agreement or after termination of this agreement.

d. The PERFORMING PARTY shall be solely responsible and liable for any and all loss or damages to persons, property, or the environment, including damages to the LRGVDC or the TCEQ and including reasonable attorney's fees and court costs caused or occasioned by the PERFORMING PARTY's performance under this contract or operation of the implementation project. The PERFORMING PARTY agrees to indemnify, to the extent permitted by law, and hold harmless the LRGVDC and the TCEQ, their officers, directors, or employees against any and all claims arising out of or in any way related to the operation of the equipment, the use of the equipment, or any other activity related to any of the matter described in this contract.

e. More specifically, PERFORMING PARTY shall indemnify and save harmless LRGVDC and its officers, agents, and employees from all suits, actions, losses, damages, claims, or liability of any character, type, or description, including, without limiting the generality of the foregoing, all expenses of litigation, court costs, and attorney's fees for injury or death to any person, or injury to any property, received or sustained by any person or persons or property, arising out of or occasioned by the acts of PERFORMING PARTY or its agents, contractors, or employees, and the performance of this contract.

Article 3 Reporting Requirements

1. Detailed records that are not required to be submitted with the reports referred to in this section must be kept at the designated location for records access.

2. The PERFORMING PARTY shall maintain and submit to LRGVDC mileage records on the use of any vehicles being used for Local Enforcement Program and originally purchased for the program.

3. The PERFORMING PARTY shall comply with any reasonable request by the LRGVDC for additional information on activities conducted in order for the LRGVDC to adequately monitor the PERFORMING PARTY's progress in completing the requirements of and adhering to the provisions of this contract.

4. Payments (reimbursements) required under this contract may be withheld by the LRGVDC until such time as any past due progress reports are received.

5. The PERFORMING PARTY's failure to comply with the requirements of this Article shall constitute a breach of this contract.

Article 3.1 Progress Reports

1. The PERFORMING PARTY shall prepare and submit to the LRGVDC, a written progress report concerning performance under this contract documenting accomplishments and units of work performed under Attachment C: Work program of this agreement. The PERFORMING PARTY's progress reports contain descriptions of activities for the LRGVDC to ensure that the provisions of this contract are being complied with.

2. The PERFORMING PARTY shall prepare and submit to the LRGVDC, the summary Pass-Through Grant Expenditure report and the request for reimbursement vouchers and appropriate backup must be submitted monthly. If no costs have been incurred a report must be submitted indicating no costs incurred.

3. The PERFORMING PARTY shall prepare and submit to the LRGVDC Report(s) Identifying Chronic Illegal Dumpsites that are ¼ acre in size or larger, their general description, exact location, boundary information in feet, length, width, and height if applicable and photos of the sites located.

Article 3.2 Results Reports

1. In addition, the PERFORMING PARTY must submit to the LRGVDC a results report each quarter. The results report will include quantifiable measurements or reasonable estimations of the project outcomes.

2. All progress and results reports shall be submitted within 10 days after the end of the month for the term of this contract so that LRGVDC may submit a consolidated report to TCEQ.

Article 3.3 Close-out Progress and Results Report

The PERFORMING PARTY will submit a closeout progress and results report with the final requests for payment under this contract. The closeout report will include the cumulated information from previous progress and closeout reports. The closeout report must be submitted within 15 days of the ending date of this contract. The PERFORMING PARTY shall certify in writing to the LRGVDC, through the final progress report, the satisfactory completion of all activities and deliverables required under this contract.

Article 3.4 Follow-up Summary Results Report

The PERFORMING PARTY shall submit periodic follow-up summary results reports according to Attachment D: Schedule of Deliverables. The PERFORMING PARTY shall document the results of the grant-funded project and provide those results to the LRGVDC for use of evaluating program effectiveness and for providing regional results information to TCEQ. The results reporting documentation and reporting requirements shall specifically cover reporting on results during the term of the contract and continue to document, the results of the project activities for the life of the program or activity.

Article 3.5 Other Reports

1. The PERFORMING PARTY shall provide LRGVDC with a reasonable number of photographs of the project activities for documentation purposes such as inclusion in a report to the State Legislature.

2. The PERFORMING PARTY shall occasionally present an oral report to the LRGVDC Solid Waste Advisory Committee during the committee's meetings regarding the status of the project

implementation. LRGVDC will notify the PERFORMING PARTY at least four weeks in advance of such requests for oral reports. Note that the committee typically meets quarterly.

Article 4 Monitoring Requirements

1. LRGVDC may periodically monitor PERFORMING PARTY for:

    a) The administrative and operational effectiveness of the project; and

    b) The degree of compliance with the terms of this contract, including compliance with applicable rules, regulations, and promulgations referenced herein.

2. LRGVDC may conduct periodic analysis, including site visits, of PERFORMING PARTY's performance under this contract for the purpose of assessing the degree to which contractual objectives and performance standards, as identified in this contract or as subsequently amended, are achieved by PERFORMING PARTY.

Article 5 Equipment

1. Unless specifically authorized in Attachment B: Budget and Authorizations, no purchases of equipment (item costing more than $500) shall be eligible for reimbursement under this contract unless the procurement for such equipment is approved ahead of time, in writing by LRGVDC.

2. Title to equipment and any constructed fixtures acquired from funds provided under this contract shall, throughout the term of this contract, be in the name of the PERFORMING PARTY. All parties agree that upon full performance of this contract, title shall remain with the PERFORMING PARTY, provided however, that if this contract is terminated, due to substantial failure by the PERFORMING PARTY to fulfill its obligations under this contract, title and physical possession of all equipment and constructed fixtures shall, upon written notification from LRGVDC, be transferred in good condition and within five (5) working days to LRGVDC.

3. The PERFORMING PARTY agrees that all equipment purchased under this contract shall be used solely to support the purpose of this contract and agrees to conduct physical property inventories, to maintain property records and necessary control procedures, and to provide adequate maintenance with respect to all equipment and/or constructed facilities acquired under this contract, as set forth below.

4. The PERFORMING PARTY shall develop and use its own property management system, which must conform to all applicable state and local laws, rules and regulations. If an adequate system for accounting for personal property owned by the PERFORMING PARTY or its subcontractor is not in place or currently in use, the Property Accounting System Manual issued by the State of Texas General Services Commission shall be used as a guide for establishing such a system.

5. A physical inventory of all equipment or property acquired or replaced under this contract having an initial purchase price of $1,000 or more, shall be conducted no less frequently than once every two years and the results of such inventories reconciled with the appropriate property records. Property control procedures utilized by the PERFORMING PARTY shall include adequate safeguards to prevent loss, damage, or theft of the acquired property. The PERFORMING PARTY agrees to develop and carry out a program of property maintenance as necessary to keep both originally acquired and any replaced property in good condition, and to utilize proper sales procedures to ensure the highest possible return, in the event such equipment or property is sold.

6. All equipment and/or constructed facilities acquired or replaced under this contract shall be used by the PERFORMING PARTY or its subcontractor, to support the purpose of this contract, for as long as the equipment or facilities are needed for such purposes, whether or not the original projects or programs continue to be supported by State funds.

7. For property with a current fair market, per-unit value of five thousand dollars ($5,000) or less, the FUNDS RECIPIENT may for the purpose of replacing the property acquired under this Agreement, either trade in or sell the property and use the proceeds of such trade in or sale to offset the cost of acquiring needed replacement property.

8. For property with a current fair market, per-unit value in excess of five thousand dollars ($5,000), the PERFORMING PARTY shall, for the purpose of replacing the property acquired under this Agreement within six years of the initiation date of this Agreement, obtain written authorization from the LRGVDC prior to trading in or selling the property and using the proceeds of such trade or sale to offset the cost of acquiring needed replacement property.

9. Property with a current fair market, per-unit value of five thousand dollars ($5,000) or less, if no longer needed for the support of the authorized projects or programs under this contract, whether original or replacement, may be used in support of other activities currently or previously supported by TCEQ or alternatively, may be made available for use on other projects or programs, providing such other use will not interfere with the work on those projects or programs for which such equipment or facilities were originally acquired or constructed.

10. For property with a current fair market, per-unit value of excess of five thousand dollars ($5,000), if not longer needed for support of the authorized projects or programs under this contract, where original or replacement, and within six years of the initiation date of this contract, the PERFORMING PARTY shall obtain written authorization from the LRGVDC prior to changing the use of the property, to include selling or transferring ownership of the property. In requesting authorization for a change in use of the property, the LRGVDC shall provide information as requested by the PERFORMING PARTY, to include information to assure that the new use of the property will adhere to the requirements of this Article. Prior to authorizing the LRGVDC to change the use of the property, the LRGVDC may, at its discretion, require the PERFORMING PARTY to notify and request input from private industry providers of recycling or solid waste service in the area of the proposed new use or activity, to determine that a competitive advantage issue does not exist. After six years of the initiation date of this contract, the PERFORMING PARTY is not required to obtain authorization for a change in use of the property acquired under this contract.

11. If any equipment or property acquired or replaced under this contract is sold or transferred within six (6) years of the initiation date of the contract, the PERFORMING PARTY agrees that TCEQ is entitled to a share of the proceeds from such sale, provided the fair market, per-unit value of the property at the time of the sale is in excess of five thousand dollars ($5,000). TCEQ's share of the sale proceeds shall be the same percentage as was the funding providing under this contract that enabled the original purchase or acquisition of the property in question. Property that is no longer needed and that has a fair market, per-unit value of five thousand dollars ($5,000) or less may be retained, sold, transferred, or otherwise disposed of with no further obligation to TCEQ. If the property or equipment has a fair market, per-unit value of five thousand dollars ($5,000) or more and less than six years has elapsed from the initiation of the contract, the PERFORMING PARTY or the subcontractor must contact TCEQ for final disposition instructions. However, the PERFORMING PARTY, may for the purpose of replacing various equipment or property utilized under this contract, either trade in or sell the equipment referred to in attachment (B) of this Contract and use the proceeds of such trade-in or sale to offset the cost of acquiring needed replacement property.

12. The use of property acquired under this contract, both during the term of this contract and for the useful life of the property, shall be in accordance with Section 361.014(b) of the TEX. HEALTH & SAFETY CODE ANN., which directs cooperation between public and private entities and may not be otherwise readily available or create a competitive advantage over a private industry that provides recycling or solid waste services.

13. If, prior to the termination date of this contract, the PERFORMING PARTY or its subcontractor determines that any equipment or constructed facilities acquired with funds provided as a result of this contract is no longer needed for support of the programs or projects, the LRGVDC may require the PERFORMING PARTY to transfer title and possession of such equipment or movable constructed facilities to a third party named by LRGVDC.

14. The PERFORMING PARTY agrees that if a determination is made after this contract has terminated that any equipment or constructed facilities acquired with funds provided as a result of this contract is no longer needed for support of the programs or projects, TCEQ has a right to require the transfer of any equipment or movable constructed facilities having a fair market, per-unit value of more than five thousand dollars ($5,000) to a third party named by TCEQ.

15. The PERFORMING PARTY shall not grant or allow a third party a security interest in any original or replacement materials, equipment, or facilities purchased or constructed with funds made available to the PERFORMING PARTY under this contract.

16. The PERFORMING PARTY agrees that, in the event any funds provided under this contract are in turn awarded to any subcontractor for the purchase or acquisition of any equipment or constructed facilities, by such other party, the PERFORMING PARTY's contract with that subcontractor shall include the requirements set forth in Subsections 8 of this Section.

Article 6 Compliance with Applicable Laws

The PERFORMING PARTY shall give all notices and comply with all laws, ordinances, rules, regulations and order of any public authority bearing on the performance of this contract, including, but not limited to, the laws referred to in this contract. (Such laws include Section 361.014 of the Texas Health and Safety Code: Use of Solid Waste Fee Revenues and Title 30 Texas Administrative Code *330.569). If the PERFORMING PARTY or LRGVDC observes that this contract is at variance therewith in any respect, the observing party shall promptly notify the other party in writing, and any necessary changes shall be adjusted by appropriate contract modification. On request, the PERFORMING PARTY shall furnish LRGVDC modification.

Article 7 Supplemental Funding Standards

In addition to the standards set forth in applicable statutes and regulations, the standards outlined below apply to all users of the funds provided under this contract. Unless authorization is otherwise specifically provided for in or under the terms of this contract, the PERFORMING PARTY shall ensure that the use of funds provided under this contract, are in accordance with the supplemental funding standards set forth in this Article.

1. **Payment of Fees.** PERFORMING PARTY must not be in arrears on payments of their solid waste disposal fees to TCEQ at the time an implementation project is selected for funding.

2. **Land Acquisition Costs.** Funds provided under this contract may not be used to acquire land or an interest in land.

3. **Municipal Solid Waste-Related Programs Only.** Funds provided under this contract may not be used for programs dealing with wastes that are not considered Municipal Solid Waste (MSW), including programs dealing with industrial or hazardous wastes.

4. **Programs Solely Related to Collection of Certain Special Wastes.** Funds provided under this contract may not be used for programs and activities solely related to the management of scrap tires, used oil, oil filters, antifreeze, lead-acid batteries, or other special wastes excluded form disposal in MSW landfills. However, collection of these materials may be included as part of a comprehensive household hazardous waste collection and management program, so long as that is not the sole intent of the program.

5. **Activities Related to the Disposal of Municipal Solid Waste.** Funds provided under this contract may not be used for activities related to the disposal of municipal solid waste. This restriction includes: solid waste collection and transportation to a disposal facility; waste combustion (incineration or waste-to-energy); processing for reducing the volume of solid waste which is to be disposed of; any landfill related facilities or activities, including the closure and post-closure care of a landfill; or other activities and facilities associated with the ultimate disposal of municipal solid waste. However, this provision does not apply to activities specifically included under an authorized project category, to include landfill scales, citizens' collection stations, and small registered transfer stations. In addition, activities that would otherwise be eligible for funding, such as recycling, but that are located at a disposal facility may be funded.

6. **Projects Requiring a TCEQ Permit.** Funds provided under this contract may not be used for expenses related to projects or facilities that require a permit from TCEQ. This provision, however, does not apply to projects or activities that may be located at a permitted facility that, by then would not require a permit and would be otherwise eligible for funding.

7. **Projects Requiring TCEQ Registration.** Projects or facilities that require registration with TCEQ under state regulations, and which are otherwise eligible for funding, may be funded as an implementation project. However, the registration for the facility must be finally received before that project can be selected for funding.

8. **Projects that Create a Competitive Advantage over Private Industry.** In accordance with Section 361.Q14lb of the Texas Health and Safety Code, a project or service funded under this contract must promote cooperation between public and private entities and may not be otherwise readily available or create a competitive advantage over a private industry that provides recycling or solid waste services. Under this definition, the term private industry includes non-profit entities.

9. **Supplanting Existing Funds.** Funds may not be used to supplant salaries of an existing staff position, where the functions assigned to that position will not change. Staff positions where the assigned functions will remain the same and that were active at the time of the grant application, and were funded from a source other than a previous solid waste grant, are ineligible for grant funding. This provision, however, does not apply to the salaries for staff of the PERFORMING PARTY, in its conduct of activities under this contract.

10. **Acquisition of Goods and Services.** Recipients of funds under this contract must comply with all state and local laws and regulations pertaining to the acquisition of goods and services. In recognition of the requirement that projects not create a competitive advantage over a private industry, it is a goal of this program that competitive processes be used to the extent possible for all purchases using grant funds. In addition, grant recipients are encouraged to participate in the State Cooperative Purchasing Program.

11. **Legislative and Lobbying Expenses.** In accordance with state laws and regulations, funds provided under this contract may not be used for expenses to support political activity, either directly or indirectly. As required under '33, Article IX of H.B. 1, the standards set forth in 5, Article IX of H.B. 1, shall apply to the use of funds provided under this contract.

12. **Food/Entertainment Expenses.** In accordance with the UGCMS, funds provided under this Agreement may not be used for food or entertainment expenses, including refreshments at meetings and other functions. This provision does not apply to authorize employee per-diem expenses for food costs incurred while on travel status.

13. **Use of Alcoholic Beverages.** As required under'33, Article IX of H.B. 1, the standards set forth in '11, Article IX of H.B. 1, shall apply to the use of funds under this Agreement. In accordance with those standards, no funds provided under this contract shall be used for the payment of salaries to any employee who uses alcoholic beverages on active duty. None of these funds shall be used for the purchase of alcoholic beverages, including travel expenses reimbursed with these funds.

Article 8 Budget and Payment Procedures

1. The PERFORMING PARTY shall submit a Request for Reimbursement voucher, which shall include attached legible copies of invoices issued by the subcontractor or vendor providing the products or services that substantiates the incurred expenditure amount. In addition, all requests for reimbursement of expenditures must be itemized and described in such a way that the acquired item can be readily matched to pre-acquisition approvals.

2. The PERFORMING PARTY must submit the Request for Reimbursement vouchers if costs have been incurred. They should be submitted with the required progress reports and results reports (see submittal due dates for reports in Article 3 of this Attachment). However, according to Article 2.2(c1), LRGVDC is not liable for any costs incurred by the PERFORMING PARTY in the performance of this agreement, which have not been billed to LRGVDC within fifteen days following termination of this agreement.

3. The LRGVDC reserves the right to suspend payment of funds awarded under this contract due to incomplete, incorrect, or inconsistent reports or tasks required under this contract until the PERFORMING PARTY satisfactorily completes, revises, or corrects such services or reports. The LRGVDC also reserves the right to require reimbursement of any overpayments determined as a result of any audit or inspection of records kept by the PERFORMING PARTY concerning the contract supported tasks to be performed.

4. The PERFORMING PARTY must submit prior notification and approval by the LRGVDC for any changes in personnel whose salaries will be funded under this contract.

5. All expenditures under the equipment, construction, or contractual, budget categories must be approved in advance by the LRGVDC. Further, for any other category expenses not specifically spelled out in the contract, the PERFORMING PARTY shall obtain prior written approval from LRGVDC for that expense.

6. The contract prohibits any reimbursement of travel expenses for out-of-state travel, except where such travel is specifically authorized in writing by the LRGVDC. Prior to authorizing any out-of-state travel by a PERFORMING PARTY, the LRGVDC must obtain written approval from TCEQ to provide such authorization.

7. If the PERFORMING PARTY does not have a current indirect cost rate approved in accordance with UGCMS, the LRGVDC may negotiate a lump sum indirect cost charges that do not exceed the charges established using the Indirect Cost Consumption Table provided in the Uniform Grant and Contract Management Standards under UGCMS.

Article 9 Financial Administration of Pass-Through Grant

The PERFORMING PARTY agrees to establish and administer a financial management program to make reimbursements for authorized expenditures and to ensure that the expenditures were, in fact, incurred and were reasonable and necessary to the project. In administering a financial management system, the PERFORMING PARTY shall adhere to the specific standards and requirements set forth in this Section, except that the requirements and processes may be more stringent than what is outlined below.

1. The PERFORMING PARTY may account for expenses incurred and request reimbursement of outlays under either a cash or an accrual basis, as defined and authorized under the UGCMS. To be eligible for reimbursement under this contract, a cost must have been incurred and either paid by the PERFORMING PARTY prior to claiming reimbursement from the LRGVDC or incurred by the last day of the time period indicated on a request for reimbursement form and liquidated no later than forty-five (45) days after the end of that time period.

2. The PERFORMING PARTY shall also utilize a summary of pass-through grant expenditures form and supplemental forms as deemed necessary by the LRGVDC under its financial monitoring program at monthly and/or with each request reimbursement to itemize expenditures by budget category.

3. The LRGVDC shall reimburse or otherwise make payment only for expenses incurred during the term of the pass-through grant agreement between the LRGVDC and PERFORMING PARTY.

4. The LRGVDC shall not reimburse or otherwise make payment for an expenditure that is not authorized under this contract. If it is determined, by either the LRGVDC or TCEQ that an expenditure that was reimbursed is not an authorized expense, the LRGVDC shall request return and reimbursement until the funds are returned or are applied to other authorized expenses.

Article 10 Authorized Representatives

a. The LRGVDC hereby designated the person in the Contract Signature Page, Project Representative and Records Location, as the individual authorized to give direction to the PERFORMING PARTY for the purpose of this contract. The LRGVDC Project Representative shall not be deemed to have authority to contractually bind the LRGVDC unless the EXECUTIVE DIRECTOR of the LRGVDC has delegated such authority.

b. The PERFORMING PARTY's Project Representative shall be deemed to have authority to receive direction from the LRGVDC, to manage work being performed, and to act on behalf of the PERFORMING PARTY as an Authorized Representative. The PERFORMING PARTY's Project Representative is designated in the Contract Signature Page.

c. Either party may change its Project Representative. In addition, the Project Representative of either party may further delegate his or her authority as necessary, including any delegation of authority to a new Project Representative. The party making the change in Project Representative shall provide written notice of the change to the other party.

d. The PERFORMING PARTY shall ensure that it's Project Representative, or his or her delegate, is available at all times for consultation with the LRGVDC.

e. The PERFORMING PARTY shall designate a location for record access and review as required under Attachment A, Article 4 and Attachment E, Article 8.

Article 11 Program Education/Promotion

To make maximum use of grant funds for public education and promotion and to ensure maximum media coverage of outreach efforts, the PERFORMING PARTY shall:

a. Provide specific information to LRGVDC concerning proposed public education materials to avoid duplication of effort with TCEQ's statewide public education effort;

b. Use camera-ready art developed and provided by TCEQ or LRGVDC for promotional material such as flyers, utility bill inserts, and brochures, if appropriate;

c. Allow the use of the name and a description of the program in TCEQ informational materials or media programs;

d. Include the following credit on any media coverage of the program: This project is funded in part by a grant from the Lower Rio Grande Valley Development Council in cooperation with the Texas Commission on Environmental Quality; and

e. Be able to participate in sharing information from the project with others interested in becoming involved with similar projects.

ATTACHMENT B: PERFORMING PARTY BUDGET AND AUTHORIZATIONS

Maximum LRGVDC obligation under this Contract shall not exceed: $30,000.00 Note that this obligation is dependent upon other provisions incorporated herein.

Below is the approved budget for the PERFORMING PARTY. Note that any equipment (cost greater than $500.00) must be authorized below or at a later date in writing.

Grant Budget Summary

Budget Categories	Funding Request
1. Personnel (Salary)	15,490.00
2. Fringe Benefits	5,175.00
3. Travel	0.00
4. Supplies (unit cost of less than $1,000)	0.00
5. Equipment (unit cost of $5,000 or more)	5,835.00
6. Construction	0.00
7. Contractual (other than for Construction)	0.00
8. Other	3,500.00
9. Indirect charges	0.00
TOTAL	**30,000.00**

10. Fringe Benefit Rate:	33%
11. Indirect Cost Rate:	

Budget Category Adjustments: The PERFORMING PARTY is responsible for ensuring that expenditure amounts remain within the various budget limits set forth in this Attachment. Compliance with the requirements of this Article is a necessary condition for payment, by the LRGVDC, of cost reimbursements.

The grant contract between the LRGVDC and the PERFORMING PARTY includes a detailed grant budget, expense authorization forms and detailed work program and activities. These are entered into the contract through adding the grant expenditures submitted in your grant application packet.

These forms may be amended or change to provide for additions, deletions, and revisions to the budget or expense authorizations. To request changes or add information on these forms the PERFORMING PARTY must submit a revised budget form with the new budget shown and include a letter signed by the authorized representative. The LRGVDC will review the request form and if approved will determined whether the change will require either a minor change or an amendment to the contract.

1. Personnel (Salary)

Position	Function	Status FT/PT, perm/temp	Monthly Salary	Time (%FTE)	Salary Request
Environmental Investigator	Solid Waste Enforcement	FT	2,371.	Full time position 50% from grant	20,665.00
					0.00
					0.00
					0.00
					0.00

Narrative: *(In any category where funding is requested, the Narrative must be completed.)*
One Full-time officer –Environmental Investigator with 50% of salary to be paid from grant funds.

3. Travel Please describe the types of routine in-region travel expenses expected and purpose for the travel. All out-of-state travel expenses and other non-routine travel, such as out-of-region travel to special training or events must be pre-approved by the Lower Rio Grande Valley Development Council. Complete the following information for all requested non-routine travel, including any out-of-state travel. If those details are not presently known; the Lower Rio Grande Valley Development Council will need to approve those travel costs before the travel occurs.

Position	Destination	Purpose	Travel Request

Narrative: *(In any category where funding is requested, the Narrative must be completed.)*

4. Supplies (Unit cost of less than $1,000)

Description	Purpose	Supply Request

Narrative: *(In any category where funding is requested, the Narrative must be completed.)*

5. Equipment (Unit price of $5,000 or more)

Description	Purpose	Equipment Request
Surveillance System – 2 Camera Hardwired Outdoor Digital with Video Motion Detection Outdoor video system with 2 compact bullet style wide angle day/night cameras.	The surveillance system will be placed in high target illegal dumping sites.	$5,835.00

Narrative: *(In any category where funding is requested, the Narrative must be completed.)*
The area to be covered by two Environmental Officers is very large and the surveillance equipment will be placed in high target illegal dumping sites to help officers with enforcement and to deter illegal dumping.

6. Construction

Description	Purpose	Sub-Contracted (Y/N)	Construction Request

Narrative: *(In any category where funding is requested, the Narrative must be completed.)*

7. Contractual

Contractor	Purpose	Contractual Request

Narrative: *(In any category where funding is requested, the Narrative must be completed.)*

8. Other

Type Other	Description	Purpose	Other Request
Postage/Delivery			
Telephone/Fax			
Utilities			
Printing/Reproduction			
Advertising/Public Notices			
Signage			
Training/Registration Fees			
Dues/Membership Fees			
Record Storage			
Office Space			
Basic Office Furnishings			
Equipment Rentals			
Books/Subscriptions			
Repair/Maintenance			
Legal Services			
Temporary Services			

Narrative: *(In any category where funding is requested, the Narrative must be completed.)*

Type Other (Cont.)	Description	Purpose	Unit Cost	No. of Units	Other Request
Recycling Bins					0.00
Recycling Bins					0.00
Personal Protective Equip.					0.00
Personal Protective Equip.					0.00
Personal Protective Equip.					0.00
Computer Hardware					0.00
Computer Software					0.00
Audio/Visual Equipment					0.00
Audio/Visual Equipment					0.00
Audio/Visual Equipment					0.00
Promotional Item	Key tags	Promotional items			595.00
Promotional Item	Rulers	Promotional items			610.00
Promotional Item	Star badges	Promotional items			188.00
Promotional Item	School bags	Promotional items			615.00
Promotional Item	Pencils	Promotional items			650.00
Promotional Item	Pens	Promotional items			842.00
Other Equip. (<$5,000)					
Additional Other					
Additional Other					

Narrative: *(In any category where funding is requested, the Narrative must be completed.)*
These promotional items will be used when making presentations and educating the community and students on the dangers of illegal dumping.

Attachment C: Work Program of Tasks to be completed by PERFORMING PARTY

GOAL: **The PERFORMING PARTY will continue to stop illegal dumping by identifying, investigating, and prosecuting illegal dumping violators, and to raise public awareness of the health and environmental hazards of illegal dumping.**

Objective 1: TO IDENTIFY A PROJECT COORDINATOR FOR THE PROGRAM

1) Task/Deliverable: Hidalgo County will identify a project coordinator for this program.

Objective 2: TO IDENTIFY AND INVESTIGATE DUMP SITES (5 LBS or more) IN HIDALGO COUNTY

1) Task/Deliverable: Provide the LRGVDC, in each progress report, the documentation/list of case numbers, dates of discovery, and locations of the dumpsite, which are, classifies as "Isolated Dumpsites," along with each progress report.

   Completion Time Frame: Continuous – Ongoing

Objective 3: ASCERTAIN AS MANY DUMP SITES AS POSSBILE THROUGH CITIZEN COMPLAINTS, REFERRALS, PATROL TECHNIQUES, SURVEILLANCE AND OTHER LAW ENFORCEMENT METHODS IN HDIALGOCOUNTY

1) Task/Deliverable: Provide the LRGVDC, in each progress report, the documentation of case numbers and dates of discovery and list how the dumpsites were discovered.

   Completion Time Frame: Continuous – Ongoing

Objective 4: CLEAN UP AS MANY DUMP SITES AS POSSIBLE IN HIDALGO COUNTY, DISCOVERED AS A RESULT OF THE SOLID WASTE PROGRAM

1) Task/Deliverable: Provide the LRGVDC in each progress report, the documentation/list of case numbers, whether the site was cleaned or not, estimated weight of dumpsites and whether the sites are isolated or chronic dumpsites.

   Completion Time Frame: Continuous – Ongoing

Objective 5: ASSIST IN COMMUNITY SERVICE HOURS PROGRAM AND ORGANIZE CLEAN-UP PROGRAM IN HIDALGO COUNTY

1) Task/Deliverable: Provide the LRGVDC, in each progress report, the documentation of assistance efforts.

   Completion Time Frame: Continuous – Ongoing

Objective 6: TO IDENTIFY, APPREHEND AND PROSECUTE ILLEGAL DUMPING VIOLATORS IN HIDALGO COUNTY

1) Task/Deliverable: Provide the LRGVDC, in each progress report, the documentation of case numbers, whether or not a violator was identified, first and last names of those who were identified as illegal dumping violators. Document where violator was apprehended and the

enforcement efforts as defined: verbal warning, written warning, unauthorized landfill letter, citation or arrest. Also document dates of the discovery with the violators name, court actions and dates.

Completion Time Frame: Continuous – Ongoing

Objective7: COORDINATE ENFORCEMENT THROUGH CIVIL AND CRIMINAL CASES

1) Task/Deliverable: Provide the LRGVDC, in each progress report, the documentation of case numbers, dates of the discovery, court actions, court dates, amount of fines, amount of community service hours, and jail time.

Completion Time Frame: Continuous – Ongoing

Objective 8: REPORT ON PROGRESS AND RESULTS OF PROGRAM

1) Task/Deliverable: The Project Coordinator will measure and document the following: 1) sites identified (defined by size as small isolated or large chronic); 2) number of complaints received; 3) number of sites found; 4) warning citations; 5) court cases tried and concluded; 6) number of convictions; 7) fines and dollar amounts of fines; 8) number of dump sites cleaned up through enforcement action and weight or cubic yards removed; 9) number of training activities attended and conducted; 10) the number of participants targeted by local enforcement activities; 11) quantities of media coverage; 12) distribution amounts of public information and/or educational materials; 13) descriptions of promotional events/public meetings including attendance. The documented information should be included in the Pass-Through Grant Summary Report. Financial documentation should also be included and submitted monthly in the Summary of Pass-Through Grant Expenditures and the Request for Reimbursement.

Completion Time Frame: Submit the Pass-Through Grant Summary Report and the Summary of Pass-Through Grant Expenditures on a quarterly basis.

2) Task/Deliverable: The Project Coordinator will measure and document the following: 1) sites identified (defined by size as small isolated or large chronic); 2) number of complaints received; 3) number of sites found; 4) warning and citations; 5) court cases tried and concluded; 6) number of convictions; 7) fines and dollar amounts of fines; 8) number of dump sites cleaned up through enforcement action and weight or cubic yards removed; 9) number of training activities attended and conducted; 10) the number of participants targeted by local enforcement activities; 11) quantities of media coverage; 12) distribution amounts of public information and/or educational materials; 13) descriptions of promotional events/public meetings including attendance. The documented information should be included in the Results Monitoring Report Forms.

Completion Time Frame: Submit Results Report on a quarterly basis, through the end of the contract period.

3) Task/Deliverable: Submission of the End of Contract Results Report and Final Summary Report, using the Results Monitoring Report Forms. Deliverable 3: The Project Coordinator will submit the final summary report, using the Pass-Through Grant Summary Report and the final results report, using the Results of Grant Funded Project Report.

Completion Time Frame: Submit the end of contract report by August 31, 2009.

4) Task/Deliverable: The Project Coordinator will submit Follow-up Reports using the applicable forms as determined by the LRGVDC. The Project Coordinator will submit Follow-up Reports using the applicable forms to be determined and as requested by the LRGVDC.

   Completion Time Frame: Submit the Follow-up Reports as determined and requested by the LRGVDC.

Attachment D: Schedule of Deliverables to be Completed by PERFORMING PARTY

Tasks	Date
Objective 1: Identification of Staff. Task 1: Hidalgo County will identify a project coordinator who will be responsible for managing the project and submission of reporting information.	9/1/08
Objective 2: Identify and Investigate Illegal Dumpsites (5 lbs or more) in Hidalgo County. Task 1: Provide the LRGVDC, in each progress report, the documentation/list of case numbers, dates of discovery and locations of the dumpsite, which are classified as Isolated Dumpsites along with each monthly progress report.	Continuous-Ongoing
Objective 3: Ascertain as many dump sites as possible through citizen complaints, referrals, patrol techniques, surveillance and other law enforcement methods in Hidalgo County. Task 1: Provide the LRGVDC, in each progress report, the documentation of case numbers, and dates of discovery and list how the dumpsites were discovered.	Continuous-Ongoing
Objective 4: Clean up as many dump sites as possible in Hidalgo County discovered as a result of the solid waste program. Task 1: Provide the LRGVDC in each progress report, the documentation/list of case numbers, whether the site was cleaned or not, estimated weight of dumpsites and whether the sites are isolated or chronic dumpsites.	Continuous-Ongoing
Objective 5: Assist in community service hours program and organize cleanup program in Hidalgo County. Task 1: Provide the LRGVDC, in each progress report, the documentation of assistance efforts.	Continuous-Ongoing
Objective 6: To identify, apprehend and prosecute illegal dumping violators in Hidalgo County. Task 1: Provide the LRGVDC, in each progress report, the documentation of case numbers, whether or not a violator was identified, first and last names of those who were identified as illegal dumping violators. Document where violator was apprehended and the enforcement efforts as defined: verbal warning, written warning, unauthorized landfill letter, citation or arrest. Also document dates of the discovery with the violators name, court actions and dates.	Continuous-Ongoing
Objective 7: Coordinate enforcement through civil and criminal cases. Task 1: Provide the LRGVDC, in each progress report, the documentation of case numbers, dates of the discovery, court actions, court dates, amount of fines and community service hours and jail time.	Continuous-Ongoing
Objective 8: Report on progress and results of the program. Task 1: Submit Progress Reports on a quarterly basis. Task 2: Submit Results Reports on a quarterly basis. Task 3: Submit End of Contract Results and Final Summary Report. Task 4: Submit Follow-up Reports as needed.	Continuous-Ongoing as needed Ongoing

Attachment E: General Contract Provisions

Article 1 Records and Documentation

1. In general, expenditure documentation to be maintained by the PERFORMING PARTY (but not necessarily submitted to the LRGVDC with each Expenditure Report) should be documented to show that the work was indeed performed and that the expense was, in fact, incurred. In addition, the documentation should also support the fact that the expenditure was reasonable and necessary to this contract.

2. Documents that should be maintained, as appropriate for the expense, include by category, the records listed below.

   a) SALARY/WAGES – Time sheets that have been signed and approved.

   b) TRAVEL – Documentation, which, at a minimum, is consistent with State Travel Regulations. The purpose of the travel should be documented and supported with actual receipts for hotel accommodations, public transportation receipts, airline receipts, etc.

   c) EQUIPMENT – purchase orders, invoices, and canceled checks.

   d) SUPPLIES – Purchase orders (if issued), invoices and canceled checks.

   e) CONTRACTUAL – All of the above plus documentation that the costs were reasonable and necessary. The same standards should be applicable and the same standards should be applicable to subcontractors.

   f) OTHER – All of the above apply.

3. If requested by the LRGVDC, the PERFORMING PARTY agrees to provide to the LRGVDC that additional expense records and documentation materials, as listed in Section (2) of this Article and appropriate for the expense, for the time period requested by the LRGVDC. Except that the PERFORMING PARTY will not be asked to submit records that have already been provided to the LRGVDC with Financial Status Report. The LRGVDC will provide reasonable time for the PERFORMING PARTY to comply with a request for additional records. If the LRGVDC requests to review additional records to be provided by the PERFORMING PARTY under the LRGVDC financial monitoring program, the LRGVDC will review those records and provide the PERFORMING PARTY a written of findings of the review. The LRGVDC will also allow the PERFORMING PARTY reasonable time to respond to any findings of non-compliance or other problems identified by the records review.

Article 2 Legal Authority

The activities funded under this contract, shall be in accordance with all provisions of this Contract, all applicable state and local laws, rules, regulations and guidelines. The main governing standards include, but may not be limited to the following:

1. '361.014, TEX. HEALTH ~ SAFETY CODE ANN. (as amended by H.B. 3072, 74th Texas Legislature);

2. '330.569 of the TCEQ Municipal Solid Waste Regulations (30 TAC Chapter 330); and

3. The Uniform Grant and Contract Management Ac., TEX. GOV'T CODE ANN., "783.001 et. seq., and the Uniform Grant and Contract Management Standards, 1 Texas Administrative Code (TAC), "5.141 et. seq. (collectively, "UGCMA").

Article 3 Scope of Services

The services to be performed by the PERFORMING PARTY are herewith outlined in the General Provisions and Change Orders which are hereby incorporated into and made a part of this Agreement as if set out word-for-word herein.

Article 4 Purpose

a. The purpose of this Contract (Agreement) is to accomplish the goals of House Bill 3072 of The 74th Texas Legislature (1995), as they relate to distributing solid waste fee revenue funds to support local and regional solid waste projects consistent with the regional solid waste management plans approved by the TCEQ and to update and maintain those plans.

b. Under the overall goals of the funding program established under House Bill 3072, the more specific purpose of this Agreement are:

1. To enable the LRGVDC to carry out or conduct various municipal solid waste management-related services and support activities within the LRGVDC's regional jurisdiction; and

2. To administer an efficient and effective, region-wide, pass-through (PERFORMING PARTY) assistance grants program and/or, where authorized by the LRGVDC in accordance with Article 4 of this Attachment, to conduct various LRGVDC – managed projects.

Article 5 Types of Solid Waste Implementation Projects & Applicants

1. Only those local and regional political subdivisions located within the State of Texas as listed below are eligible to receive funding from the LRGVDC as a pass-through grant:

- Cities;
- Counties;
- Public schools and school districts (does not include Universities or post secondary educational institutions); and
- Other general and special law districts created in accordance with state law, and with the authority and responsibility for water quality protection or municipal solid waste management, to include river authorities.

2. All expenditure reports shall contain sufficient identification of and information concerning the costs incurred so as to enable the LRGVDC to ascertain the eligibility of a particular expenditure and to enable subsequent audit thereof.

3. The category specific funding limitations outlined for each category shall apply to all uses of funds under implementation projects conducted for that category.

1) Local Enforcement. This category consists of projects, which contribute to the prevention of illegal dumping. These projects may include programs to investigate illegal dumping problems, educate the

public on illegal dumping laws, and prosecute violators. These programs may also include activities to enforcement laws pertaining to the illegal disposal of liquid wastes.

Funding limitations specific to this category:

This category may not include funding for enforcement activities related to the illegal disposal of industrial or hazardous waste. It is understood, however, that industrial or hazardous waste may periodically be discovered at illegal waste disposal sites. Such instances do not preclude the investigation of that site, so long as the funded program is specifically aimed at the illegal disposal of municipal solid waste.

Grant funds may not be used for either the cleanup of illegal disposal sites or the transportation and/or disposal of waste collected during such cleanups.

2) Source Reduction and Recycling. This category includes projects, which provide a direct and measurable effect on reducing the amount of municipal solid waste going into landfills, by diverting various materials from the municipal solid waste stream for reuse or recycling, or by reducing waste generation at the source. These programs may include implementation of efficiency improvements in the solid waste management system in order to increase source reduction and recycling, to include: full-cost accounting systems and cost-based rate structures; establishment of mechanisms to track and assess the level of recycling activity in the community on a regular basis.

Funding limitations specific to this category:

Programs and projects funded under this category shall be designed to provide a measurable effect and reducing the amount of municipal solid waste going into landfills. Any program or project aimed at demonstrating the use of products made from recycled materials shall have as its primary function the education and training of residents, governmental officials, and others in order to encourage support for recycling efforts.

Programs aimed at efficiency improvements to increase the source reduction of solid waste must be coordinated with the LRGVDC. Any program to develop a full-cost accounting system shall utilize the full-cost accounting guidance prepared by the LRGVDC.

3) Citizens' Collection Stations and A Small Registered Transfer Stations. Projects to construct a citizens' collection station, as these facilities are defined under the TCEQ regulations Section 330.4(f), are authorized for funding. Municipal Solid Waste Transfer Stations that qualify for registration under Section 330.4(d) or Section 330.4(r) of the TCEQ's MSW regulations may also be funded. A project funded under this category should include consideration of an integrated approach to solid waste management, to include providing recycling services at the site, if appropriate to the management system in place.

Funding limitations specific to this category:

Transfer stations that require a permit from the TCEQ may not be funded.

Municipal solid waste transfer stations that qualify for registration under Section 330.4(d) of the MSW regulations may be funded. Specifically, this section covers a municipal solid waste transfer station facility that is used in the transfer of municipal solid waste to a solid waste processing or disposal facility from:

- a municipality with a population of less than 50,000;
- a county with a population of less than 85,000; or
- a facility used in the transfer of municipal solid waste that transfers or will transfer 125 tons per day or less.

Municipal solid waste transfer stations that qualify for a registration only under the provisions of Section 330.4(q), allowing for registration of facilities that recover 10% or more of the waste stream for reuse of recycling, but not also under the provisions of Section 330.4(d), may not be funded. However, those components of a transfer facility dedicated to the reuse or recycling activities may qualify for funding under the source reductions and recycling grant category.

Municipal solid waste transfer stations that are used only in the transfer of grease trap waste, grit trap waste, septage, or other similar liquid waste, and which qualify for registration under Section 330.4(r) of the MSW regulations may be funded under this category. Specifically, Section 330.4(r) of the regulations allows for registration of a liquid waste transfer facility that will receive 32,000 gallons a day or less.

Only the costs necessary to construct the facility and/or purchase and install necessary equipment may be funded. Costs associated with operating a facility once it is completed, to include lease payments or contractual agreements for operations, may not be funded.

4) Education and Training Projects. Educational components are encouraged under the other categories in order to better ensure public participation in projects; those educational components should be funded as part of those projects and not separately under this category. This category may be appropriate for a stand-alone educational project dealing with a variety of solid waste management topics. This category may include funding for information-exchange activities, subject to the other limitations on travel expenses.

Funding limitations specific to this category:

Programs and projects funded under this category must be primarily related to issues involved in the management of municipal solid waste. Education or training events that cover a broader range of environmental issues may be funded on a partial basis appropriate to the extent to which municipal solid waste issues are covered.

Article 6 Arrears of Waste Disposal Fees

Local and regional political subdivisions that are subject to the payment of state solid waste disposal fees and whose fee payments are in arrears, as determined by the LRGVDC or TCEQ, are not eligible to receive pass-through grant funding from the LRGVDC. The TCEQ shall provide, on a quarterly basis, the LRGVDC a list of entities for which fee payments are in arrears. The LRGVDC shall allow a potential pass-through grant application that is listed as being in arrears in its fee payments the opportunity to provide documentation of payment of the fees owned by the state. If the potential applicant provides the LRGVDC with documentation of payment of the fees, such as a canceled check or receipt from the state, the LRGVDC may consider that applicant to be eligible to receive pass-through grant funding under this agreement. The LRGVDC shall notify the TCEQ of any applicants for which a determination of eligibility was made under this subsection.

Article 7 Insurance and Liability

PERFORMING PARTY shall maintain insurance coverage for work performed or services rendered under this contract as specified in the Special Provisions. PERFORMING PARTY understands and agrees that it shall be liable to repay and shall repay upon demand to LRGVDC any amounts determined by LRGVDC, its independent auditors, or any agency of state or federal governments to have been paid in violation of the terms of this Agreement.

Article 8 Audit/Access to Records

a. PERFORMING PARTY shall engage an independent financial auditor and conduct an annual audit of the PERFORMING PARTY'S financial statements in accordance with the Single Audit Circular provisions of UGCM.

   All terms used in connection with audits in this Agreement shall have the definitions and meanings assigned in the Single Audit Circular in UGCMS.

   Provisions of the Single Audit Circular in Part IV of UGCMS shall apply to all non-state entities expending the funds of this grant, whether they are recipients, receiving the funds directly from the TCEQ, or are sub-recipients, receiving the funds from a recipient or another sub-recipient. In addition, the PERFORMING PARTY shall require the independent auditor to supply all audit work papers substantiating the work performed, at the request of the TCEQ or its designee.

b. The PERFORMING PARTY shall furnish LRGVDC with a copy of the annual audit report.

c. Unless otherwise specifically authorized by the LRGVDC in writing, the PERFORMING PARTY shall submit the report of such audit to the LRGVDC no later than 120 days after the end of the audit period. Audits performed under this Section are subject to review and resolution by the LRGVDC or its authorized representative.

d. LRGVDC reserves the right to conduct or cause to be conducted an independent audit of all funds received under this contract which may be performed by the local government audit staff, a certified public accountant firm, or other auditors as designated by the LRGVDC. Such audit will be conducted in accordance with applicable professional standards and practices.

e. The PERFORMING PARTY shall maintain and make available for review, inspection and/or audit books, records, documents, and other evidence reasonably pertinent to performance on all work under this Agreement, including negotiated changes or amendments thereto, in accordance with accepted professional practice, appropriate accounting procedures and practices at the PERFORMING PARTY'S Texas office. The PERFORMING PARTY shall also maintain and make available at its Texas office the financial information and data used by the PERFORMING PARTY or its designee (including independent financial auditors) in the preparation or support of any cost submission or cost (direct and indirect), price or profit analysis for this Agreement or any negotiated sub-agreement or change order and a copy of the cost summary submitted to LRGVDC. The LRGVDC, TCEQ, Texas State Auditor's Office or any of LRGVDC'S duly authorized representatives, shall have access to such books, records, documents, and other evidence for the purpose of review, inspection and/or audit. During the conduct of any such review, audit or inspection, the PERFORMING PARTY'S books, records, and other pertinent documents may, upon prior conference with the PERFORMING PARTY, be copied by the LRGVDC or any of its duly authorized representatives. The parties in accordance with good business ethics shall

handle all such information. The PERFORMING PARTY shall provide proper facilities within the State of Texas for such access and inspection.

f. Audits conducted pursuant to this provision shall be in accordance with State law, regulations and policy, and generally accepted auditing standards and established procedures and guidelines of the reviewing or audit agency (ies).

g. The PERFORMING PARTY agrees to the disclosure of all information and reports resulting from access to records to LRGVDC. Where the audit concerns the PERFORMING PARTY, the auditing agency will afford the PERFORMING PARTY an opportunity for an audit exit conference and an opportunity to comment on the pertinent portions of the draft audit report.

h. Records shall be maintained and made available during the entire period of performance of this Agreement and until three (3) years from data of final LRGVDC payment for the project. In addition, those records which relate to any dispute, litigation, or the settlement of claims arising out of such performance, or costs or items to which an audit exception has been taken shall be maintained and made available until completion of such action and resolution of all issues which arise from it, or until the end of the regular three-year period, whichever is later.

i. Access to records is not limited to the required retention periods. The authorized representatives designated in Exhibit (8) of this contract shall have access to records at any reasonable time for as long as the records are maintained.

j. This audit/access to records Article applies to financial records pertaining to all sub-agreements and all sub-agreement change orders and amendments. In addition, this right of access applies to all records pertaining to all sub-agreements, sub-agreement change orders and sub-agreement amendments: to the extent the records reasonably pertain to sub-agreement performance; if there is any indication that fraud, gross abuse or corrupt practices may be involved; or if the sub-agreement is terminated for default or for convenience.

k. The LRGVDC reserves the right to require the reimbursement of any over-payments determined as a result of any audit or inspection of records kept by the PERFORMING PARTY on work performance under this Agreement.

Article 9 Accounting System

The PERFORMING PARTY shall have an accounting system which accounts for costs in accordance with generally accepted accounting standards or principles and complies with applicable State law, regulations and policies relating to accounting standards or principles. The PERFORMING PARTY must account for costs in a manner consistent with such standards or principles.

Article 10 Americans with Disabilities Act

The PERFORMING PARTY shall comply with all applicable requirements of the Americans with Disabilities Act of 1990, 42 U.S.C. ** 12101 – 12213 (Pamph. 1995).

Article 11 Utilization of Small, Minority, and Women's Business Enterprise

The PERFORMING PARTY agrees that qualified Historically Underutilized Businesses (HUBs) shall have the maximum practicable opportunity to participate in the performance of this Agreement.

Article 12 Energy Efficiency Standards

The PERFORMING PARTY is encouraged to follow the Texas State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

Article 13 Acknowledgment of Financial Support

The PERFORMING PARTY shall acknowledge the financial support of the LRGVDC whenever work funded, in whole or part, by this Agreement is publicized or reported in news media or publications. All reports and other documents completed as a part of this Agreement, other that documents prepared exclusively for internal use within the LRGVDC, shall carry the following notation on the front cover or title page:

PREPARED IN COOPERATION WITH THE
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
AND
THE LOWER RIO GRANDE VALLEY DEVELOPMENT COUNCIL

Article 14 Amendments to Contract

a. Any alterations, additional, or deletions to the terms of this contract which are required by changes in Federal Law or regulations are automatically incorporated into this Agreement without written amendment hereto, and shall become effective on the date designated by such law or regulation, provide if the PERFORMING PARTY may not legally comply with such change, PERFORMING PARTY may terminate its participation herein as authorized by Article 15.

b. LRGVDC may, from time to time, require changes in the Scope of the Service of the PERFORMING PARTY to be performed hereunder. Such changes that are mutually agreed upon by and between LRGVDC and the PERFORMING PARTY in writing shall be incorporated into this Agreement.

Article 15 Termination of Contract

The PERFORMING PARTY acknowledges that this Agreement may be terminated under the following circumstances:

a. Convenience. LRGVDC may terminate this Agreement in whole or in part without cause at any time by written notice by certified mail to the PERFORMING PARTY whenever for any reason LRGVDC determines that such termination is in the best interest of LRGVDC. Upon receipt of notice of termination, all services hereunder of the PERFORMING PARTY and its employees and subcontracts shall cease to the extent specified in the notice of termination. In the event of termination in whole, the PERFORMING PARTY shall prepare a final invoice within 30 days of such termination reflecting the services actually performed pursuant to the Agreement and to the satisfaction of the Executive Director or his designee which has not appeared on any prior invoice. LRGVDC agrees to pay the PERFORMING PARTY, in accordance with the terms of the Agreement, for services actually performed and accruing to the benefit of LRGVDC compensation previously paid.

b. The PERFORMING PARTY may cancel or terminate this Agreement upon thirty (30) days written notice by certified mail to LRGVDC. The PERFORMING PARTY may not give notice of cancellation after it has received notice of default from LRGVDC. In the event of such termination prior to completion of the contract provided for herein, LRGVDC, agrees to pay services herein specified on a prorated bases for work actually performed and invoiced in accordance with the terms of this Agreement, less payment of any compensation previously paid.

c. Default. LRGVDC may, by written notice of default to the PERFORMING PARTY, terminate the whole or any part of the Agreement in any one of the following circumstances:

1. If the PERFORMING PARTY fails to perform the services herein specified within the time specified herein or any extension thereof; or

2. If the PERFORMING PARTY fails to perform any of the other provisions of this Agreement for any reason whatsoever, or so fails to make progress or so violates the Agreement in any manner which significantly endangers substantial performance of the Agreement or completion of the services herein specified within a reasonable time, and in either of these two instances does not cure such failure within a period of ten (10) days (or such longer periods of time as may be authorized by LRGVDC in writing) after receiving written notice by certified mail of default from LRGVDC. In the event of such termination, all services of the PERFORMING PARTY and its employees and subcontracts shall cease and the PERFORMING PARTY shall prepare a final invoice reflecting the services actually performed pursuant to the Agreement and to the satisfaction of the Executive Director of LRGVDC or his designee, which has not appeared on a prior invoice. LRGVDC agrees to pay the PERFORMING PARTY, in accordance with the terms of this Agreement, for services actually performed and accruing to the benefit of LRGVDC as reflected on said invoices, less payment of any compensation previously paid and less any costs or damages incurred by LRGVDC as a result of such default, including an amount agreed to in writing by LRGVDC and the PERFORMING PARTY to be necessary to complete the service herein specified, in addition to the which would have been required had the PERFORMING PARTY completed the services herein specified as required herein.

3. Failure to comply with the conditions set forth in this contract shall be the basis for termination of this contract and/or the revocation of any unexpended or inappropriately expended funds.

Article 16 Severability

All parties agree that should any provision of this Agreement be determined to be invalid or unenforceable, such determination shall not effect any other term of this Agreement, which shall continue in full force and effect.

Article 17 Intellectual Property

a. For the purpose of this Article, intellectual property refers to 1) any discovery of invention, for which patent rights may be acquired, and 2) any photographs, graphic designs, plans, drawings, specifications, computer programs, technical reports, operating manuals, or other copyrightable materials, and 3) any other materials in which intellectual property rights may be obtained.

b. If the PERFORMING PARTY first conceives of, actually puts into practice, discovers, invents, or produces any intellectual property during the course of its work under this contract, it shall report that fact to the LRGVDC.

c. The PERFORMING PARTY may obtain governmental protection for rights in the intellectual property. However, the LRGVDC and TCEQ hereby reserve a nonexclusive, royalty-free and irrevocable license to use, publish, or reproduce the intellectual property for sale or otherwise, and to authorize others to do so. The LRGVDC also reserves a royalty-free nonexclusive, and irrevocable license to use, publish, or reproduce for sale or otherwise, and to authorize others to use, publish, or reproduce, for sale or otherwise (to the extent consistent with the rights of third parties) any rights with funds received under this contract.

d. In performing work under this contract, the PERFORMING PARTY shall comply with all laws, rules, and regulations relating to intellectual property, and shall not infringe on any third-party's intellectual property rights. It shall hold the LRGVDC harmless for, and to the extent permitted by the laws and Constitution of the State of Texas, indemnify the LRGVDC against, any claims for infringement related to its work under this contract.

e. The PERFORMING PARTY shall include provisions adequate to effectuate the purpose of this Article in all sub-agreements and subcontracts under this contract in the course of which intellectual property may be produced or acquired.

Article 18 Data and Publicity

All data and other information developed under this contract shall be furnished to the LRGVDC and shall be public data and information except to the extent that it is exempted from public access by the Texas Open Records/Public Information Act, Vernon's TEX. GOV'T CODE 552. Upon termination of this contract, all data and information shall become the joint property of the PERFORMING PARTY and the LRGVDC.

Article 19 Dispute Resolution

Any and all disputes concerning questions of fact or of law arising under this Agreement that is not disposed of by Agreement shall be decided by the Executive Director of LRGVDC or his designee, who shall reduce his decision to writing and provide notice thereof to the PERFORMING PARTY. The decision of the Executive Director or his designee shall be final and conclusive unless, within thirty (30) days from the date of receipt of such copy, the PERFORMING PARTY requests a rehearing from the Executive Director of LRGVDC. In connection with any rehearing under this Article, the PERFORMING PARTY shall be afforded an opportunity to be heard and offer evidence in support of its position. The decision of the Executive Director after any such rehearing may be appealed to the TCEQ. Pending final decision of a dispute hereunder, the PERFORMING PARTY shall proceed diligently with the performance of the Agreement and in accordance with LRGVDC's final decision.

Article 20 Oral and Written Agreements

All oral or written agreements between the parties hereto relating to the subject matter of this Contract, which were developed and executed prior to the execution of this contract have been reduced to writing and are contained herein.

Article 21 Employment Practices

The PERFORMING PARTY agrees that in the performance of this Contract, it will not discriminate against any employee or applicant because of race, religion, color, sex, or national origin and it will comply with Executive Order 11246, entitled A Equal Employment Opportunity, as amended by Executive Order 11375, and as supplemented in Department of Labor Regulations (Title 41 CFR Part 60). The PERFORMING PARTY assures that no person will, on the grounds or race, creed, color, handicap, national origin, sex, political affiliation or beliefs, be excluded from, be denied the benefit of, or be subject to discrimination under any program or activity funded in whole or part under this Contract.

Article 32 Procurement

A copy of the local Procurement Policy used the PERFORMING PARTY must be submitted to the LRGVDC upon the signing of this contract.

Article 33 Order of Preference

Unless otherwise stated, a listing of factors, criteria or subjects in this contract does not constitute an order of preference.

HIDALGO COUNTY
COMMISSIONER COURT
2008 SALARY SCHEDULE

1285-421-00-293-006-9
LRGVDC - SOLID WASTE

AI-11336

Slot #	Obj Code	POSITION TITLE	2007 BUDGETED SALARY	2008 ADJUSTED SALARY	2008 BASE SALARY	% Inc.	AMOUNT INCREASE	OTHER INCREASE	2008 BUDGETED SALARY APPROVED	2008 ACTUAL SALARY	Other Allowances					2008 ACTUAL TOTAL COMPENSATION
											Longevity 115	Interpet. 116	Supplem. 117	Auto A. 118	Clothing 119	
G001	113	DEPUTY CONSTABLE STEP II/SOLID WASTE ENF. OFFICER	$0.00	$15,490.00	$15,490.00	0	$0.00	$0.00	$15,490.00	$15,490.00	$0.00	$0.00	$0.00	$0.00	$0.00	$15,490.00
		TOTAL	$0.00	$15,490.00	$15,490.00		$0.00	$0.00	$15,490.00	$15,490.00	$0.00	$0.00	$0.00	$0.00	$0.00	$15,490.00

GRANT PERIOD: 09/01/2008 TO 08/31/09
PENDING CC APPROVAL

1100-421-00-293-001-0
CONSTABLE PCT.3

Slot #	Obj Code	POSITION TITLE	2007 BUDGETED SALARY	2008 ADJUSTED SALARY	2008 BASE SALARY	% Inc.	AMOUNT INCREASE	OTHER INCREASE	2008 BUDGETED SALARY	2008 ACTUAL SALARY	Other Allowances					2008 ACTUAL TOTAL COMPENSATION
											Longevity 115	Interpet. 116	Supplem. 117	Auto A. 118	Clothing 119	
0001	111	CONSTABLE	$52,250.00	$0.00	$52,250.00	0.04	$2,090.00	$0.00	$54,340.00	$54,340.00	$0.00	$0.00	$0.00	$8,000.00	$0.00	$62,340.00
0002	113	CHIEF DEPUTY CONSTABLE STEP III	$42,655.00	$6,600.00	$49,255.00	0	$0.00	$0.00	$49,255.00	$49,255.00	$660.00	$0.00	$1,800.00	$0.00	$0.00	$51,715.00
0003	113	SR. DEPUTY CONSTABLE STEP III	$38,777.00	$6,000.00	$44,777.00	0	$0.00	$0.00	$44,777.00	$44,777.00	$540.00	$0.00	$3,300.00	$0.00	$0.00	$48,617.00
0004	113	SR. DEPUTY CONSTABLE STEP III	$38,777.00	$6,000.00	$44,777.00	0	$0.00	$0.00	$44,777.00	$44,777.00	$540.00	$0.00	$1,200.00	$0.00	$0.00	$46,517.00
0005	113	SR. DEPUTY CONSTABLE STEP III	$38,777.00	$6,000.00	$44,777.00	0	$0.00	$0.00	$44,777.00	$44,777.00	$540.00	$0.00	$1,200.00	$0.00	$0.00	$46,517.00
0006	113	SR. DEPUTY CONSTABLE STEP I	$35,252.00	$6,548.00	$41,800.00	0	$0.00	$0.00	$41,800.00	$41,800.00	$0.00	$0.00	$1,800.00	$0.00	$0.00	$43,600.00
0007	113	SR. DEPUTY CONSTABLE STEP I	$35,252.00	$6,548.00	$41,800.00	0	$0.00	$0.00	$41,800.00	$41,800.00	$0.00	$0.00	$1,200.00	$0.00	$0.00	$43,000.00
0008	113	SR. DEPUTY CONSTABLE STEP I	$35,252.00	$6,548.00	$41,800.00	0	$0.00	$0.00	$41,800.00	$41,800.00	$0.00	$0.00	$600.00	$0.00	$0.00	$42,400.00
0009	113	DEPUTY CONSTABLE	$35,252.00	$1,228.00	$36,480.00	0	$0.00	$0.00	$36,480.00	$36,480.00	$0.00	$0.00	$1,200.00	$0.00	$0.00	$37,680.00
0010	113	DEPUTY CONSTABLE STEP II	$34,060.00	$5,270.00	$39,330.00	0	$0.00	$0.00	$39,330.00	$39,330.00	$0.00	$0.00	$1,200.00	$0.00	$0.00	$40,530.00
0012	113	ADMIN ASSISTANT	$31,576.00	$0.00	$31,576.00	0	$0.00	$0.00	$31,576.00	$31,576.00	$0.00	$0.00	$0.00	$0.00	$0.00	$31,576.00
0013	113	DEPUTY CONSTABLE STEP II/SOLID WASTE ENF. OFFICER	$34,060.00	$5,270.00	$39,330.00	0	$0.00	($15,490.00)	$23,840.00	$23,840.00	$0.00	$0.00	$1,200.00	$0.00	$0.00	$25,040.00
0014	113	CLERK	$21,800.00	$0.00	$21,800.00	0	$0.00	$0.00	$21,800.00	$21,800.00	$0.00	$0.00	$0.00	$0.00	$0.00	$21,800.00
		TOTAL	$473,740.00	$56,012.00	$529,752.00		$2,090.00	($15,490.00)	$516,352.00	$516,352.00	$2,280.00	$0.00	$14,700.00	$8,000.00	$0.00	$541,332.00

DATE: September 29, 2008

2008
Transfer

DEPARTMENT HEAD: Lazaro Gallardo, Jr.

DEPARTMENT NAME: Constable Precinct 3 (Dept 293)

ACCOUNT NUMBER: 8-1285-421-00-293-006-9-XXX
LRGVDC (Project Sweep)

Contact Person: Raquel Cavazos **Ph#:** 956-205-7031

SUBJECT: **Budget Amendments** (increase (decrease)) in accordance with Local Government Code, Chapter 111, § 111.070, Item C (2).

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Budget Amendments (increase (decrease)) in accordance with Local Government Code, Chapter 111, § 111.070, Item C (2).

INCREASE ACCOUNT NUMBER(S)	ACCOUNT (OBJECT) NAME	AMOUNT
8-1285-421-00-293-006-9-113	LRGVDC-Solid Waste Pct 3- Perm. Full Time Employees	15,490.00
8-1285-421-00-293-006-9-211	LRGVDC-Solid Waste Pct 3- Health Insurance	1,644.78
8-1285-421-00-293-006-9-212	LRGVDC-Solid Waste Pct 3- Life Insurance	13.04
8-1285-421-00-293-006-9-220	LRGVDC-Solid Waste Pct 3- FICA	1,184.99
8-1285-421-00-293-006-9-230	LRGVDC-Solid Waste Pct 3- Retirement	1,360.02
8-1285-421-00-293-006-9-250	LRGVDC-Solid Waste Pct 3- Unemployment Comp.	77.45
8-1285-421-00-293-006-9-260	LRGVDC-Solid Waste Pct 3- Workers Comp	894.72
8-1285-421-00-293-006-9-748	LRGVDC-Solid Waste Pct 3- Other Equipment	5,835.00
8-1285-421-00-293-006-9-890	LRGVDC-Solid Waste Pct 3- Other	3,500.00
8-1285-334-00-293-006-9-000	LRGVDC - Solid Waste Pct. 3 Revenues	30,000.00
	TOTAL BUDGET INCREASE (DECREASE)	$ 30,000.00

REASON: To appropriate funds for the LRGV Solid Waste Enforcement Program (SWEEP) for FY 2009 for Constable Pct. 3 Dept. grant period from September 1, 2008 thru August 31, 2009. No cash match required.

DEPARTMENT HEAD SIGNATURE

APPROVED COMMISSIONERS' COURT

____/____/____
DATE

ATTEST COUNTY CLERK

AI-11315 **15.A.**

OCDE Grant

CC REGULAR

Date: 09/30/2008
Submitted By: Emilia Uriegas, SHERIFF DEPT.
Submitted For: Anacleto Martinez
Department: SHERIFF DEPT.
Agenda Area: Sheriff's Office

Information

CAPTION

1. Approval of the Organized Crime Drug Enforcement Task Forces Agreement between the Hidalgo County Sheriff's Office and the Drug Enforcement Aministration McAllen District Office/Houston Division Office OCDETF Strike Force Group D-81.
2. Approval to appropriate OCDE Grant award in the amount of $100,000.00.

BACKGROUND

The grant period is October 01, 2008 to September 30, 2009.

Grant budget includes leasing of vehicle, equipment, and operational expenses.

No local cash match is required.

Fiscal Impact

Attachments

Link: ocde.agreement
Link: ocde.budget.amend

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Anacleto Martinez	Anacleto Martinez	09/23/2008 04:54 PM	APRV
2	Budget & Management	Veronica Lopez	09/24/2008 07:58 AM	APRV
3	Rey Salazar	Rey Salazar	09/26/2008 02:55 PM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 03:00 PM	APRV
5	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Emilia Uriegas — Started On: 09/23/2008 10:18 AM

Final Approval Date: 09/26/2008

U.S. DEPARTMENT OF JUSTICE - DRUG ENFORCEMENT ADMINISTRATION

ORGANIZED CRIME DRUG ENFORCEMENT TASK FORCES

Agreement

FOR THE USE OF THE OCDETF STRIKE FORCE PROGRAM

Federal Tax Identification #: 74-6000717	DC #:
OCDETF Investigation #: SWTXS-0647	Federal Agency Investigation #: M5-07-0044
Strike Force Name and Address: Drug Enforcement Administration McAllen District Office Houston Division Office OCDETF Strike Force Group D-81 1200 N. Commerce Center McAllen, Texas 78501	State or Local Agency Name and Address: Hidalgo County Sheriff's Office 711 El Cibolo Road Edinburg, Texas 78540

Lead Investigator and Agency:
Deputy Jorge Alvarez, Drug Enforcement Administration

Amount Requested $ 100,000.00	From: 10-01-2008 Beginning Date of Agreement To: 09-30-2009 Ending Date of Agreement

Brief explanation of services/goods provided and basis for determining costs:
Leased vehicles, travel, training, technical surveillance and computer equipment needed to facilitate operational interface of the Hidalgo County Sheriff's Office with the McAllen D.O. OCDETF Strike Force. Vehicle cost was determined based on current lease agreements between the HCSO and CAPPS Rent-A-Car Inc., Dallas, Texas. Other costs were based on current government pricing quotes.

Please provide the name, telephone number and e-mail address for the administrative or financial staff person at the State or local agency, who is directly responsible for the billings under this Reimbursement Agreement:

Name: Blanca Gomez, Grant Accountant
Telephone Number: 956-318-2511
E-mail Address: blanca.gomez@auditor.co.hidalgo.tx.us
Fax Number: 956-318-2577

This agreement is between the above named state or local agency and the Organized Crime Drug Enforcement Task Force (OCDETF) Program. This agreement shall be effective when signed by a state or local law enforcement agency official, who is authorized to approve the expenditure of funds in support of OCDETF investigations, the lead Federal agent for the investigation, the Strike Force leader or his/her designee and the OCDETF Executive Office Budget Officer, or his/her designee.

1. It is agreed that the state or local agency named on this agreement will assist in OCDETF investigations and prosecutions as set forth in the Organized Crime Drug Enforcement Task Force Strike Force Program and Policy and Procedures Manual, April 2006.

2. This agreement may be terminated by any of the parties by written notice to the other parties ten (10) business days prior to termination. Billing for outstanding obligations shall be received by OCDETF within thirty (30) days of the notice of termination.

3. Costs resulting from Strike Force investigations incurred by state and local program participants including travel, either by a state or local officer, witness or confidential source; rental of automobiles; rental of office space for temporary use, such as an off-site location for electronic monitoring or off-site command post; cost of interpreters or translators; training in support of OCDETF ; and technical surveillance equipment may be reimbursed. Any exceptions or additions to the approved reimbursable costs listed above must be detailed and attached in Addendum A of the Agreement.

4. Property and equipment purchased through the OCDETF Program must remain available to the Strike Force for the duration of the investigation. Once the Strike Force investigation is concluded, usage and disposition are at the discretion of the state or local agency.

5. The reimbursement of these items must be permissible under the AFF statute, Section 524 (c)(1)(I) of Title 28, United States Code, and this guidance, and are subject to the availability of funds.

6. All approving officials must agree to amendments or changes to the amount of the Agreement, the listing of eligible items to be reimbursed, and associated estimates that occur after an Agreement has been executed. These amendments or changes must be transmitted by a memorandum approved and signed by the Strike Force Leader, and forwarded to the OCDETF Executive Office. All changes made to the original agreement must be approved and initialed by the person making the revision and the Strike Force Leader.

7. Subsequent to payment of invoices by the state and local agency to a third party vendor, the DOJ will reimburse the agency for approved investigation related equipment and service costs. To ensure proper and complete utilization of OCDETF cost allocations, reimbursement claims must be submitted monthly on the OCDETF Reimbursement Request Form. The OCDETF Executive Office may refuse payment on any reimbursement request that is not submitted to the Strike Force within thirty (30) days of the close of the month in which the costs were incurred.

8. All documents for procurement of equipment or other expense in excess of $2,500, or that are not detailed in the original agreement must be approved in advance and signed by an authorized state or local agency official, the lead Federal agent in the investigation, and the Strike Force Leader.

   All documents for procurement of equipment or other expenses, below $2,500, and that are reasonable and acceptable according to the terms of the original Strike Force Agreement must only be approved and signed by an authorized state or local agency official and the lead Federal agent in the investigation.

9. State and local agencies must provide official procurement documents to support all reimbursable expenditures to the Strike Force leadership upon request. Official procurement documents may include purchase orders, service agreements, invoices, receiving documents, etc. If proper supporting documentation is not available, OCDETF will not make reimbursement payments. The cumulative amount of all reimbursements cannot exceed the agreement amount without proper modification.

10. Under no circumstances will the state or local agency charge any indirect costs for the administration or implementation of this agreement.

11. By the 25th of each month, the Strike Force Leader will provide to the Executive Office a status of funds report detailing expenditures for each reimbursable agreement. State and local agencies are to provide monthly billing estimates or activity updates upon request.

12. Analysis of reimbursement claims by the Strike Force may result in a modification of the obligation of funds contained within this agreement as well as the time period covered. The state or local agency affected by any such modification will be advised by telephone ten (10) business days in advance of such modification with follow-up confirmation in writing.

13. The state or local agency shall permit examination and auditing by representatives of the OCDETF Program, the sponsoring Federal agencies, DOJ, the Comptroller General of the United States, and/or any of their duly-authorized agents and representatives, of all records, documents, accounts, invoices, receipts, or expenditures relating to this agreement. In addition, the state or local agency will maintain all such foregoing reports and records until all audits and examinations are completed and resolved, or for a period of six (6) years after termination of this Agreement, whichever is later.

14. The state or local agency will comply with Title VI of the Civil Rights Act of 1964 and all requirements applicable to OCDETF agreements pursuant to the regulations of the Department of Justice (see, e.g., 28 C.F.R. Part 42, Subparts C and G; 28 C.F.R. 50.3 (1991)) relating to discrimination on the grounds of race, color, sex, age, national origin or handicap.

15. The Debt Collection Improvement Act of 1996 requires that most payments made by the Federal government, including vendor payments, must be made by EFT. In accordance with the Act, all OCDETF reimbursement payments will be issued via EFT. All participating state and local agencies must complete and submit the attached EFT form. The OCDETF Executive Office must receive one EFT form from each participating agency or police department prior to processing their reimbursement payments. In certain circumstances the OCDETF Executive Office will make exceptions for agencies that are unable to accept this form of payment, however, they must include written justification in the addendum of each new agreement.

This agreement is not a contract or obligation to commit Federal funds in the maximum amounts projected. Funding allocations for the time period set forth, agreed to herein represent projections only, and are based upon consultation between the Strike Force and the state or local law enforcement agency. They are, therefore, subject to modification by OCDETF based upon the progress and needs of the OCDETF investigation. Additionally, resources are contingent upon the availability of funds per the approval and signature of the Strike Force Leader's obligating authority. The OCDETF Executive Office will verify and accept that all the terms and conditions of the agreement have been met.

Approved By: Guadalupe "Lupe" Trevino	Sheriff	9-22-08
Authorized State or Local Official	*Title*	*Date*
Approved By: Rudy Maldonado,	Group Supervisor	9/27/08
Lead Federal Agency Investigator	*Title*	*Date*
Approved By: Paul K. Craine	ASAC-Strike Force Comm	
Strike Force Leader	*Title*	*Date*

Funds are encumbered for the costs specified above, subject to the availability of funds.

Accepted By: _____

OCDETF Executive Office *Date*

ORGANIZED CRIME DRUG ENFORCEMENT TASK FORCES

STATE OR LOCAL LAW ENFORCEMENT
STRIKE FORCE AGREEMENT
COST ESTIMATE

Strike Force: McAllen District Office

OCDETF Investigation Number: SWTXS-0647

The following is an estimate of operational costs expected to be incurred by state and local enforcement in an OCDETF Strike Force investigation. These costs are reimbursable under this agreement, subject to the availability of funds.

	DESCRIPTION	AMOUNT
1.	Leased Vehicles	$25,000.00
2.	Travel	$5,000.00
3.	Training	$25,000.00
4.	Fuel for Leased Vehicles	$10,000.00
5.	Technical Surveillance Equipment	$12,500.00
6.	Computer Equipment	$17,500.00
7.	Office Supplies	$5,000.00
8.		
9.		
10.		
11.		
12.		
13.	TOTAL	$100,000.00

Addendum A

Reimbursable Cost Jusitification:

The leased vehicles, fuel expenses and travel expenses will be utilized by the Hidalgo County Sheriff's Office Deputy, who is assigned to the McAllen OCDETF Strike Force, in support of Strike Force investigations. Note: One leased vehicle will be assigned to the Hidalgo County SO K-9 Unit. This vehicle will be used to support Strike Force investigations.

The technical surveillance equipment (cameras, trackers) and computer equipment (laptops, stand-alones, color printers) will be utilized by Strike Force members for real time tracking of suspect vehicles, cellular site tracking of pen registers and T-III targets as well as IP based pole cameras deployed in furtherance of Strike Force investigations.

Training funds have been allocated for training of McAllen DO agents and Hidalgo County Sheriff Deputies.

Other Exceptions or Jusitifications:

DATE: September 23, 2008
DEPARTMENT HEAD: Guadalupe "Lupe" Trevino
DEPARTMENT NAME: OCDE
ACCOUNT NUMBER: 8-1284-421-00-280-037-9-XXX

SUBJECT: **Budget Amendments (Increases) in Accordance with Local Government Code, Chapte 111, Subchapter C**

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following Amendments (increases) to my budget in accordance with Loca Government Code, Chapter 111, Subchapter C

INCREASE OBJECT NUMBER(S)	ACCOUNT OBJECT NAME	AMOUNT
8-1284-421-00-280-037-9-442	Rental of Equipment & Vehicles	25,000.00
8-1284-421-00-280-037-9-581	In-County Employee Travel	5,000.00
8-1284-421-00-280-037-9-584	Registration Fees	25,000.00
8-1284-421-00-280-037-9-601	Office Supplies	5,000.00
8-1284-421-00-280-037-9-626	Gasoline/Diesel (Bulk)	10,000.00
8-1284-421-00-280-037-9-745	Computer Equipment	17,500.00
8-1284-421-00-280-037-9-748	Other Equipment	12,500.00
	TOTAL APPROPRIATIONS	100,000.00
8-1284-331-10-280-037-9-000	OCDE Task Force (DEA)	100,000.00
	TOTAL REVENUES	100,000.00

REASON: **To appropriate budget for the Organized Crime Drug Enforcement (OCDE) Task Force Grant award from the Department of Justice, Drug Enforcement Administratio**

The grant period is October 01, 2008 to September 30, 2009.

DEPARTMENT HEAD SIGNATURE

/ /
DATE

APPROVED COMMISSIONERS' COURT

ATTEST COUNTY CLERK

AI-11321 **15.B.**

Sheriff's Federal Sharing - US Department of Justice
CC REGULAR

Date: 09/30/2008
Submitted By: Rosie Hinojosa, SHERIFF DEPT.
Submitted For: Rosie Hinojosa
Department: SHERIFF DEPT.
Agenda Area: Sheriff's Office

Information

CAPTION

Approval to appropriate monies received on a seizure award in the Sheriff's Federal Sharing - U.S. Department of Justice Fund 1229.

BACKGROUND

See attached Budget Amendment.

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1229-421-00-280-007-0
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:** N
BUDGETARY IMPACT:

Attachments

Link: Budget Amendment

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Anacleto Martinez	Anacleto Martinez	09/23/2008 04:55 PM	APRV
2	Budget & Management	Veronica Lopez	09/24/2008 07:58 AM	APRV
3	Rey Salazar	Rey Salazar	09/26/2008 04:42 PM	APRV
4	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Rosie Hinojosa Started On: 09/23/2008 12:04 PM

Final Approval Date: 09/26/2008

DATE: September 23, 2008
DEPARTMENT HEAD: Sheriff Guadalupe "Lupe" Trevino
DEPARTMENT NAME: Sheriff's Federal Sharing - U.S. Departmen
ACCOUNT NUMBER: 8-1229-421-00-280-007-0-XXX

SUBJECT: Budget Amendments (Increases) in Accord Code, Chapter 111, Subchapter C

Honorable Commissioners' Court of Hidalgo County:

I would like to request the following amendments (increases) to my department budget in accordance with Local Government Code, Chapter 111, Subchapter C.

INCREASE OBJECT NUMBER(S)	ACCOUNT (OBJECT) NAME
8-1229-421-00-280-007-0-748	Other Equipment
8-1229-352-30-280-000-0-000	COURT ORDERED CONFISCATIONS

TOTAL BUDGET INCREASE REQUEST

REASON: To appropriate monies received on a seizure award. (Rec. No. 122458).

DEPARTMENT HEAD SIGNATURE

APPROVED COMMISSIONERS' COURT

____/____/____
DATE

ıt of Justice

lance with Local Government

AMOUNT
1,511.29
1,511.29

$	1,511.29

ATTEST COUNTY CLERK

AI-11331 **16.A.**

Approval of payment - FM 907 Parcel 4
CC REGULAR

Date: 09/30/2008
Submitted By: Sandra Garcia, RIGHT OF WAY DEPT.
Submitted For: Joe Pena
Department: RIGHT OF WAY DEPT.
Agenda Area: Right of Way

Information

CAPTION

Consideration and approval to purchase a certain tract of land described as Parcel #4 for the FM 907 - Alamo Road Project.

BACKGROUND

Fiscal Impact

FISCAL YEAR: 8 **ACCT. #:** 8-1315-126-20-000-011-0-000
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

TXDOT reimbursable project.

FISCAL YEAR: 2008 **ACCT. #:** 8-1315-126-30-000-006-0-000
FUNDS AVAILABLE Y/N?: YES **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Attachments

Link: Pay Memo
Link: Settlement Statement

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 02:48 PM	APRV
2	Dale Kennan	Dale Kennan	09/25/2008 04:06 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 02:07 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Sandra Garcia Started On: 09/23/2008 04:09 PM

Final Approval Date: 09/26/2008

HIDALGO COUNTY RIGHT OF WAY DEPARTMENT

JOSE N. PEÑA
Director

PAY-MEMO

To: Commissioner Sylvia Handy, Pct. # 1
Attn: Noe Montez

From: Bobby Villarreal, ROW Agent
Hidalgo County Right of Way Department

Date: September 23, 2008

Re: FM 907 Road Project
Parcels # 4

==========

Commissioner Handy,

Attached please find a copy of the unrecorded deed with signed and sealed survey metes & bounds, appraisal, tabulation of value, a 1099S form signed by Speedling Incorporated and the settlement statement on the above-mentioned parcel. We are requesting a check in the amount of $6,000.00 paid to Speedling Incorporated for the portion of right of way being acquired. A second check in the amount of $724.13 to Sierra Title of Hidalgo County, Inc. for Closing cost and Title Policy. Please use account _____.The Original deed will be held by the title company and recorded as soon as payment to the Title Company is processed.

PLEASE HOLD CHECKS SO THAT WE MAY PICK THEM UP.

Commissioners Court approved this project for acquisition through an interlocal agreement on October 30, 2007.

Should you have any questions, please call me @ (956) 283-8134.

Thanks,

Bobby Villarreal

Approved: _____
Sylvia Handy, Commissioner Pct. 1

_____
Jose N. Peña, HCROW Director

509 E. Earling Rd. ★ San Juan, Texas 78589 ★ (956) 283-8134 ★ Fax (956) 283-8402

HIDALGO COUNTY RIGHT OF WAY DEPARTMENT

JOSE N. PEÑA
Director

MEMO

To: **Commissioners' Court**

From: **Bobby Villarreal**
Right of Way Agent

Date: **March 11, 2008**

Subject: **FM 907 (Alamo Road) Project**
Parcel # 4 – Speedling Incorporated

Appraised Value	**$ 4,375.00**
Settlement Demand	**$ 6,000.00**
Difference	**($ 1,625.00) *** **

***See attached letter

Commissioners' Court Executive Session March 11, 2008.

3/11/08 **Approved**

_____ **Not Approved**

509 E. Earling Rd. ★ San Juan, Texas 78589 ★ (956) 283-8134 ★ Fax (956) 283-8402

Texas Department of Transportation

PO BOX 1717 • PHARR TEXAS 78577-1717 • (956) 702-6100

March 6, 2008

Mr. Joe Pena,
Director Hidalgo County ROW Department
509 E. Earling Road
San Juan, Texas 78589

RE: Counteroffer Acceptance
CSJ: 1586-01-051
FM 907
FROM: US Business 83
TO: Rancho Blanco Road
Parcel: 4

Mr. Pena,

After reviewing the counteroffer submitted to your office by the property owner of the above captioned project and parcel, it is this District Evaluation Team's recommendation to accept said counter offer based on cost savings to the State if eminent domain proceedings are avoided.

Please proceed with your acquisition negotiations based on this acceptance of the property owner's counteroffer.

Should you have any questions or comments please feel free to call me at (956) 702-6287.

Sincerely,

Ramon Jimenez Jr.
Pharr District ROW Appraiser III

cc: File

HIDALGO COUNTY RIGHT OF WAY DEPARTMENT

JOSE N. PEÑA
Director

March 5, 2008

Ms. Luana Gonzalez
District Right of Way Administrator
Texas Department of Transportation
P. O. Box 1717
Pharr, Texas 78577-1717

Re: County: Hidalgo
TxDot CSJ #1586-01-051
Highway: FM 907
From Business 83 to Rancho Blanco Road
Parcel # 4

Dear Ms. Gonzalez,

Attached herewith please find a counter offer as submitted by Speedling Incorporated owner of Parcel #4. Mr. Joe Pena has reviewed the aforementioned and hereby does recommend approval as petitioned.

Should you have any questions after reviewing the attached document, please feel free to call me at the office (956) 283-8134.

Respectfully,

Bobby Villarreal
Right of Way Agent
Hidalgo County Right of Way Department.

Attachments: (as noted)
cc: Commissioner
Joe N. Pena, ROW Director

Ornamental Plants Division
Post Office Box 7098
Sun City, FL 33586-7098

SPEEDLING
INCORPORATED

Phone 813 / 645-3284
1-800-426-4400
FAX # 645-6237

March 3, 2008

Hidalgo County Right of Way
509 E. Earling Road
San Juan, Texas

Attn: Bobby Villarreal, Right of Way Agent
Re: Alamo Road Project
Parcel #4

Dear Mr. Villarreal,

Pursuant to my earlier conversation with you, I would like to make a counteroffer to your proposal concerning the acquisition of the above referenced tract. Specifically, I am proposing a price of $6,000.00 for Parcel #4 (Alamo Road Project). I believe this value is appropriate and in line with recent sales in the immediate vicinity. The difference between your offer and mine is $1,625.00.

I am willing to sign a warranty deed upon acceptance of my counteroffer, thereby, avoiding delay and expense of formal condemnation hearings.

This offer will remain open for acceptance for a 30 day period from date hereof. Please contact me at your earliest convenience.

Sincerely,

Mike Samilian
CEO
Acting

HIDALGO COUNTY RIGHT OF WAY DEPARTMENT

JOSE N. PEÑA
Director

February 29, 2008 CM 8606 6059 2081 0200

Speedling Incorporated
Attn: Mike Samilion, Vice President
PO Box 7220
Sun City, Florida 33586

RE: Hidalgo County
FM 907 (Alamo Road Project)
CSJ # 1586-01-051
Parcel # 4

Dear Speedling Corporation,

The Commissioners' Court of Hidalgo County in coordination with the Texas Department of Transportation and the City of Alamo, Texas has authorized me to make an offer for the property to be acquired under the above captioned parcel for right of way purposes in connection with the FM 907 Road Project.

In acquiring property for the highway systems of Texas, Hidalgo County and the Texas Department of Transportation follow a definite procedure for appraising the land needed and for handling personal negotiations with each landowner. As explained by the County negotiator, Mr. Bobby Villarreal, your property located within the above-mentioned project is to be acquired.

Based on an Appraisal made by Mr. Leonel Garza III with Leonel Garza Jr. and Associates LLC, a State Certified Independent Appraiser, the Commissioner's Court of Hidalgo County and the Texas Department of Transportation has authorized me to make an offer of $4,375.00 for a partial acquisition of your property. The offer represents total compensation for land and improvements. We are prepared to negotiate with you to acquire this parcel of land at its full-appraised value.

509 E. Earling Rd. ★ San Juan, Texas 78589 ★ (956) 283-8134 ★ Fax (956) 283-8402

BREAKDOWN

Land	
1,250 sq. ft. @ $ 3.50	$4,375.00
Improvements	
None	$0.00
Total Estimated Value	$4,375.00
Cost To Cure Damages	$0.00
Total Offered	$4,375.00

We would appreciate if you took the time to review the package of information sent. If this offer is not accepted or feel that you need additional time to consider the offer, please contact our office within ten (10) working days from the date you receive this letter.

After the date of payment of the purchase price, or the date of deposit in the court of funds to satisfy the award of compensation as determined by eminent domain proceedings to acquire real property, you will be reimbursed for any fair and reasonable expenses necessarily incurred in transferring title to the property for use by the Texas Department of Transportation. Expenses eligible for reimbursement may include (1) recording fees, transfer taxes and similar expenses incidental to conveying the real property to the Department and (2) penalty costs for prepayment of any pre-existing recorded mortgage entered into in good faith encumbering the real property. Voluntary unnecessary expenses or expenses incurred in clearing questionable title will not be eligible for reimbursement. Eligible incidental expenses will be reimbursed upon submission of a claim supported by receipted bills or other evidence of actual expenses incurred. You may file a written request for review if you believe that the Department failed to properly determine the eligibility for, or the amount of, incidental expenses to be reimbursed. There is no standard form on which to request a review of a claim; however, the claim must be filed with the Department within six months after you are notified of the Departments determination on any claim for reimbursement

You may be entitled to additional payments and services under the State's Relocation Assistance Program. It is emphasized, however, that any benefits to which you may be entitled under this program will be handled entirely separate from and in addition to this transaction. You will receive a brochure entitled "Relocation Assistance" form you of eligible requirements, payments and services which are available.

Attached is a copy of the Texas Department of Transportation brochure entitled "Right of Way Purchase" which we trust will give you a better understanding of the procedures followed by the Department in purchasing property. If you have any questions regarding the details as to the type of facility to be built or concerning the purchase transaction, please do not hesitate to ask and we will try to answer them for you.

Sincerely yours,

Jose N. Pena
Director
Right-of-Way Dept.
County of Hidalgo

ROW-A-10
Rev. 10/2005
ROWIS

TABULATION OF VALUES

Parcel: 4 Highway: FM 907 ROW CSJ: 1586-01-051

Taking Type: Partial Taking
Size of Remainder: 652150.00000 Sq Feet
Type of Property: Commercial
Contract Fencing: Undetermined
Appraised by: Leonel, III Garza
Date Appraised: 01/04/2008
Access will be **Undetermined**

District: Pharr
County: HIDALGO
Federal Project:

Agency	Participating Percentage	Expense Description
County - HIDALGO	2.8000	ROW Acquisition Expenses

Interest Owner	Acquisition Interest	Land Area	Value	Lease (Y/N)
Speedling Inc.	Fee Simple	1250.00000 Sq Feet	$4,375.00	Undetermined

I. Total Approved Values

Land Value	Improvement Value	Sign Value	Damages/Enhancements	Total Value
$4,375.00	$0.00	$0.00	$0.00	$4,375.00

II. Improvements

Item No.	Improvement Type	Type Construction	Improvement Value	Retention Value	Bisection Category
		Total:	$0.00	$0.00	

III. Damages and Enhancements

Non-Exempt Damages	Exempt Damages	Enhancements	Net Damages
$0.00	$0.00	$0.00	$0.00

IV. Sign Values

Item No.	Sign Owner	Type Construction	Improvement Value	Retention Value	Bisect. Cat.
		Total:	$0.00	$0.00	

TABULATION OF VALUES (continued)

Parcel: 4 Highway: FM 907 ROW CSJ: 1586-01-051

V. Recapitulation

Date:	01/04/2008			Recommended Value
Appraiser's Name:	Leonel, III Garza			
Appraisal Type:	Initial Appraisal			
Value of Whole Property:				
Parcel Area ac.	1250.00000 Sq Feet			
VALUE FOR PARCEL	$4,375.00			$4,375.00
Land: per.	$3.50/Sq Feet			
Easement				
Improvements				
Net Damages or (Enhancements)				
OAS Values(s)				
TOTAL COMPENSATION	$4,375.00			$4,375.00

VI. Comments and Conclusions on Values in the Appraisal Report

Parcel 4 is a partial taking of 0.03 of an acre (1,250 sf) out of Lot 14, Block 32 of the Alamo Land and Sugar Company Subdivision, map reference Volume 1, Page 24-36, of the Hidalgo County Map Records, Texas. Said tract is further described as being conveyed to Speedling Incorporated, A Florida Corporation, recorded in Document No. 316920, of the Official Records of Hidalgo County, Texas.

The whole property is located on the Northwest corner at the intersection of FM 907 and Moore Road. The whole property is currently vacant.

The highest and best use of the whole property is for Commercial use.

The appraiser Leonel Garza III selects three (3) comparable sales to value the whole property land. The taking is properly valued as a pro-rata part of the whole value at $ 3.50 per square foot. The subject property is located in a region which contains water, electricity and phone service, which is typical of the market area. The remainder highest and best use is the same as for the whole property and the land value is equal to the land value of the whole property.

Based on a review of the appraisal report and a field inspection of the subject, it appears that the total compensation of $ 4,375.00 represents market value.

TABULATION OF VALUES (continued)

Parcel: 4 Highway: FM 907 ROW CSJ: 1586-01-051

VII. Justification and Explanation for Credit if Retained

ROW-A-10
Rev. 10/2005
ROWIS

TABULATION OF VALUES (continued)

Parcel: 4 Highway: FM 907 ROW CSJ: 1586-01-051

VIII. Conditions

Values for signs, if any, are applicable only if sign owner has compensable interest.
Fencing is applicable only to actual cost or lump sum fencing on 90-10 Right of Way projects and State cost participation in fences to be in accordance with State's Right of Way Manual.
The values indicated hereon have been approved on the basis that all improvements within the taking will be acquired in the name of the State through negotiation.

IX. Reviewing Appraiser's Statements

District Reviewing Appraiser's Statement

The recommended value on this form is my opinion of value for the parcel and was reached independently based on appraisals and other factual data without collaboration or direction. An on-the-ground inspection of the parcel was made and comparables in the area were inspected. I have no direct or indirect present or contemplated future personal interest in such property or in any benefit from the acquisition of the parcel. To the best of my knowledge, the value does not include any items which are compensable under the State law.

1-22-08

District Reviewing Appraiser Date

Contract Reviewing Appraiser's Statement (if applicable)

The recommended value on this form is my opinion of value for the parcel and was reached independently based on appraisals and other factual data without collaboration or direction. An on-the-ground inspection of the parcel was made and comparables in the area were inspected. I have no direct or indirect present or contemplated future personal interest in such property or in any benefit from the acquisition of the parcel. To the best of my knowledge, the value does not include any items which are compensable under the State law.

Contract Reviewing Appraiser Date

Division Reviewing Appraiser's Statement (if applicable)

Values contained is this form are my opinion of value for the parcel and was reached independently based on appraisals and other factual data including the District's reviewer's inspection, analysis and recommendation and on-the-ground knowledge and without collaboration or direction. I have not direct or indirect present or contemplated future personal interest in such property or in any benefit from the acquisition of the parcel. It is my understanding that the parcel may be used in connection with a Federal-Aid Right of Way Highway Project. To the best of my knowledge, the value does not include any items which are compensable under the State law.

Division Reviewing Appraiser Date

X. Approval of Values

County/City Representative Date

1/22/08

District Engineer Date

ROW-A-6
(Rev. 7/2004)
GSD-EPC

REAL ESTATE APPRAISAL REPORT
TEXAS DEPARTMENT OF TRANSPORTATION

Address of Property:	NW corner of Moore Road and South Alamo Road, Alamo, Texas 78516	Account:	N/A
Property Owner:	Speedling Incorporated, A Florida Corporation	Parcel:	4
Address of Property Owner:	P.O. Box 7220 Sun City, Florida 33586-7220	CSJ:	1586-01-051
Occupant's Name:	Speedling Incorporated, A Florida Corporation	Federal Project No:	N/A

Whole: ☐ Partial: ☑ Acquisition Highway: FM 907 (Alamo Road) County: Hidalgo County

Purpose of the Appraisal

The purpose of this appraisal is to estimate the market value of the fee simple title to the real property to be acquired, encumbered by any easements not to be extinguished, less oil, gas and sulphur. If this acquisition is of less than the whole property, then any special benefits and/or damages to the remainder property must be included in accordance with the laws of Texas.

Market Value

Market value is defined as follows: "Market Value is the price which the property would bring when it is offered for sale by one who desires, but is not obliged to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future."

Certificate of Appraiser

I hereby certify that , it is my opinion the total compensation for the acquisition of the herein described property is $4,375 as of January 4, 2008, based upon my independent appraisal and the exercise of my professional judgment; on January 4, 2008, (date)(s), I personally inspected in the field the property herein appraised; I afforded Speedling Incorporated, A Florida Corporation, the property owner or the representative of the property owner, the opportunity to accompany me at the time of the inspection.

The comparables relied upon in making said appraisal were as represented by the photographs contained in the appraisal report and were inspected on February 6, 2007 (date)(s), I have not revealed and will not reveal the findings and results of such appraisal to anyone other than the proper officials of the, County of Hidalgo, Texas Department of Transportation or officials of the Federal Highway Administration until authorized by State officials to do so, or until I am required to do so by due process of law or until I am released from this obligation by having publicly testified to such findings; and , my compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.

I certify to the best of my knowledge and belief that the statements of fact contained in this report are true and correct; the reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions and conclusions; I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved; and, my analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the appropriate State laws, regulations, and policies and procedures applicable to the appraisal of right of way for such purposes, and that to the best of my knowledge no portion of the value assigned to such property consists of items which are noncompensable under the established law of said State,

and any decrease or increase in the fair market value of subject real property prior to the date of valuation caused by the public improvement other than that due to the physical deterioration within the reasonable control of the owner has been disregarded in estimating the compensation for the property.

Appraiser Signature - Leonel Garza III

State Certified General Real Estate Appraiser - TX 1328375-General
Certification Number

January 8, 2008
Date

To the best of my knowledge, the value does not include any items which are not compensable under the State law.

1-22-08

District Reviewing Appraiser Date

Certificate of Appraisal

This appraisal report conforms to the Uniform Standards of Professional Appraisal Practice (USPAP) as adopted by the Appraisal Standards Board of the Appraisal Foundation. The subject property was analyzed utilizing the Cost Approach to value which is a Sales Comparison Approach to the subject as if vacant and includes the estimated depreciated market value of real estate improvements located within the part to be acquired. This is further explained within each section of the appraisal report.

Identification of Client & Intended User of Appraisal Report

The client for this report is identified as Hidalgo County Right-of-Way Department under the direction of Precinct No. 1. and others which would be involved with the acquisition of said proposed right-of-way along FM 907 (South Alamo Road). The part to be acquired is for the expansion of the existing right-of-way of FM 907 (South Alamo Road) with the project limits located between Ridge Road and Halls Acres Road within the city and existing ETJ of the City of Alamo. The intended use of the report is to assist Joe Pena, Director of the Right-of-Way Department of Hidalgo County and others involved with the project, for future negotiations of acquiring all or part of said property as fee simple in the name of the County of Hidalgo, Texas. This report is not intended for any other use, unless specified by the client. The clients have identified that the report shall be a limited restricted appraisal report, which is to conform with the ROW-A-6 Form Rev. 7/2004.

The intended user of the report is defined as Hidalgo County Right-of-Way Department, and may include other governmental entities which may be participating in the project. Joe Pena is the Director of the Right-of-Way Department of Hidalgo County, who has a local office established in Precinct No. 2, located at 509 E. Earling Road, San Juan, Texas 78589. Mr. Pena, shall be the project manager for this project under the direction of Honorable Sylvia Handy, County Commissioner of Precinct No. 1. Mr. Pena can be contacted at (956) 283-8134.

Scope of the Assignment

By work order dated November 6, 2007, on behalf of Hidalgo County Right-of-Way Department and Hidalgo County Purchasing Department, request for Leonel Garza Jr. & Associates LLC to prepare an appraisal report of the part to be acquired as described by survey and metes and bounds created by Aranda and Associates, Inc of McAllen, Texas. The scope of the assignment is to appraise the area as fee simple, to be acquired as indicated by the survey as of the date of on-site or off-site inspection as permitted by the owner of record.

Market sales within the market area and comparable market areas are to be identified and analyzed for comparability and for their reliability in determining the estimated market value of the subject property. The comparables have been collected, confirmed and analyzed with respect to comparability to the subject property. These comparable sales were gathered through various sources which included the Greater McAllen Multiple Listing Service, Hidalgo County Appraisal District, local Realtors & Brokers, Real Estate Appraisers, and conversations with various owners along the project. The appraisal report shall indicate the current market value of the subject property as per date of on-site and or off-site inspection. This inspection is limited by the permissibility of the subject owner as per date of report. A copy of a certified letter of intent to inspect said property is located within the addenda of this appraisal report.

Purpose of the Appraisal Report

This appraisal is prepared for the purpose of estimating the current market value of the fee simple estate of the subject property in order to determined the value of the proposed right-of-way to be acquired by the County of Hidalgo, as defined within this report. This appraisal does not include any enhancement in value resulting from items of intangible personal property such as marketing and management skill, an assembled work force, working capital, trade names, franchises, patents, trademarks, contracts, leases, or operating agreements and project influence (if any exist).

The area to be acquired may contain personal property items and or real estate items, which may be compensable for the purpose of right-of-way acquisition only. These items deemed compensable shall be included within the body of the report and itemized for clarity. Any improvements not located within the part to be acquired and outside of the permissibility of inspection as defined by the subject owner, shall be given a stated value based on the assessment established by the Hidalgo County Appraisal District, if they are affected by the part to be acquired.

Property Rights Appraised

The property rights being appraised in this report consist of the fee simple estate of the subject property. Fee Simple Estate is defined by the Dictionary of Real Estate Appraisal, Fourth Edition, copyright 2002, page 113, by the Appraisal Institute as being: "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

Accessibility To Subject Property

The owner of record of the subject property, as per the Hidalgo County Appraisal District was sent a letter of intent to inspect the subject property. The letter afforded the property owner the opportunity to accompany the appraiser during the on or off-site inspection of the subject property. A copy of the certified letter is located within the addenda of this report.

Analysis of Subject As A Whole

A survey of the property owners entire tract was not performed as the part to be acquired is located along the southeast corner of the subject property; which is located at the Northwest corner of South Alamo Road (FM 907) and Moore Road. As per scope of the assignment, the subject property (part to be acquired) shall be analyzed based on the combined information of several sources including, the survey provided, on-site and or off-site inspection, personal interviews, and information gathered from the Hidalgo County Appraisal District. The property was analyzed based on the whole property less any existing road right-of-way of which a pro-rata part of the whole is determined to be the subject of this report. The subject property is a large tract of land of which the remainder shall not be affected nor damaged as a result of the acquisition. Therefore, a valuation of the remainder portion of the subject property was not required.

Economic Unit Analysis

The subject property shall be analyzed based on a 15.00 acre gross tract of land. Any existing right-of-way and easements with in the proposed acquisition shall be excluded as per scope of the assignment. The area for the subject property as a whole is indicated as per survey provided by Aranda and Associates, Inc dated September 19, 2006. The comparable sales used for the analysis of the subject property as whole and as the partial acquisition indicated a range of economic units of 0.89 acres to 1.36 acres. These indicated economic unit values are used for the valuation of the irregular partial taking, as the part to be acquired does not constitute an economic unit. Therefore, the pro-rata part of the whole is applied to the partial taking for the market valuation of the subject property.

Part to be Acquired

The proposed partial acquisition is comprised of fee land in which the net land area to be acquired is 1,250 square feet (0.03 acres). The proposed partial acquisition has approximately 50.00 lineal feet along the western frontage of Alamo Road and 50.00 lineal feet on the northern frontage of Moore Road. The part to be acquired is an irregular-shaped tract of land which has limited use and site utility due to its location and size as proposed and does not constitute a readily marketable economic unit. Therefore, the part to be acquired, which is the subject of this report, shall be evaluated as a pro-rata part of the whole as determined by the approaches to market value selected. Based on the pro-rata part of the whole, the subject shall be valued based on the highest and best use as a residential use tract of land which is based on the local market trend along Alamo Road. This highest and best use is further explained on page 1.4 of this report.

To Be Acquired (Net)	0.03 Acres
	1,250 S.F.

Legal Description of The Part To Be Acquired

Being 1,250 square feet (0.03 acre) of land more or less, situated in Hidalgo County, Texas and also being a part or portion of a tract of land out of Lot Fourteen (14), Block Thirty Two (32), Alamo Land and Sugar Company's Subdivision as recorded in Volume 1, Pages 24-26, Hidalgo County Map Records and conveyed to Speedling Incorporated, a Florida Corporation in a document recorded in Document No. 316920, Dated April 20, 1993 of the Hidalgo County Official Records, and said 1,250 square feet (0.03 acre) also being more particularly described by metes and bounds.

Remainder Before and After The Acquisition

The remainder before and after the acquisition is defined as the partial acquisition subtracted from the whole property which is described as the subject property. It is determined at the time of appraisal whether or not damages to the remainder are caused by the proposed part to be acquired. The highest and best use of the subject property before and after the proposed partial acquisition is analyzed to determine whether or not the use of the subject property will be altered as a result of the proposed part to be acquired. As for the remainder, it was determined that the highest and best use before and after the acquisition shall remain and not be damaged or changed as a result of the acquisition.

Property Tax Information

This appraiser has examined the property tax information indicated by the Hidalgo County Appraisal District (HCAD) as of the date of appraisal and has found that the subject property is under the ownership of Speedling Incorporated, A Florida Corporation. The part to be acquired was identified as part of a larger tract of land which contained tax identification no. A1800-00-032-0014-01. The subject property land assessment was indicated to be $103,230. The property taxes for the subject property appear to be current, however, further research with the Hidalgo County Tax Office shall be required to confirm any outstanding tax liabilities attributable to the subject property.

Environmental Assessment / Adverse Easements / Encroachments / Topography

This appraiser has made an off-site inspection of the subject property, and no obvious adverse environmental concerns or potentially hazardous materials were observed. This appraiser is not qualified to make a detailed environmental study and highly recommends that an inspection be made by a qualified environmental engineer if an environmental concerns exists. Leonel Garza Jr. & Associates LLC has performed this appraisal report under the hypothetical condition and extraordinary assumption that the subject property has not experienced any adverse environmental concerns which may influence it's marketability and or value.

A survey of the remainder of the subject property was not provided by Aranda and Associates, Inc. as per date of report. Therefore, the extraordinary assumption that no adverse easements nor encroachments are located within the remainder before and after the taking which would affect the value of the whole, part to be acquired and the remainder before and after the acquisition. The subject property was observed that the property is generally level and typical of the surrounding market area. No severe low lying areas were observed, however, this appraiser is not an engineer and cannot certify to the topography nor drainage of the subject property as a whole, part to be acquired and the remainder after.

Utility Services Available

The subject property is located in a region which contains water, electricity, and phone service, which is typical of the market area.

Identification of Personal Property

As per scope of the assignment, no personal property located within the proposed right-of-way and the remainder before and after the taking shall be included for compensation, unless it was determined by the appraiser that these item shall be affected or damaged by the proposed taking. In the event the selected items are determined to be compensable, then they shall be included within the cost approach section of this report. A value which shall be either the cost to cure and or the cost of replacement shall be delineated for each item for clarity.

Current Listing Status

It appears that the subject property is not listed for sale as of the effective date of this appraisal. No visible "For Sale" signs were located on the subject property and the property was not listed for sale under a Realtor's® Multiple Listing Service.

Estimated Marketing Time Period

The indicated marketing period is based on the marketing periods of the comparable sales used in the Sales Comparison Approach and the surrounding sales found. Based on the research performed, a twelve (12) to twenty-four month (24) marketing time period appears to be adequate. This time period was selected after a review of multiple land sales within the Alamo, San Juan and Pharr markets. The analysis included the indicated "DOM" Days on Market as shown on the McAllen Multiple Listing Service which provides local Realtors an avenue to advertise properties located in the Rio Grande Valley, with its primary focus on properties within Hidalgo County.

Exposure Time

Exposure time is defined as the "length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal." Based on research performed within the market area, an indicated twelve (12) to twenty-four month (24) exposure time is indicated for the subject property. This was estimated based on current and past listings located within the market area which were reviewed during our sales search for comparables similar to the subject property.

Statement of Highest & Best Use

The subjects highest and best use as if vacant and as improved is indicated for commercial development. This type of use is concurrent with the recent trends located along Alamo Road within the city of Alamo and nearby municipalities. This highest and best use is based on the determined economic unit of the subject property as whole as the portion being acquired in the name of the County of Hidalgo, Texas, does not itself constitute an economic unit.

When a property is evaluated the highest and best use must always be considered. In the current case the highest and best use of the whole is determined to be for commercial purposes based on several factors. These factors that are taken into consideration are defined by The Dictionary of Real Estate Appraisal, Fourth Edition, copyright 2002, page 135, by the Appraisal Institute as being: "The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and there results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity."

The scope of the assignment is to evaluate the subject property as a whole, part to be acquired, and the remainder before and after the taking, excluding project influence as required by Standards Rule 1-4(f) under the Jurisdictional Exception provision as defined by the Uniform Standards of Professional Appraisal Practice (USPAP). The highest and best use is analyzed for each of these scenarios as each parcel shall be evaluated before and after the proposed taking. In order to determine the highest and best use, research was performed within the City of Alamo, City of San Juan and within this market of Hidalgo County to determine the legal permissibility of land use along Alamo Road. Along Alamo Road, development is mixed with sparse retail, and single family residential developments.

Since the subject lies within jurisdiction of Alamo, Texas municipal zoning ordinance restrictions are applicable to the subject as per date of appraisal. This office shall evaluate the subject properties based on the continuing trend along Alamo Road and the existing ordinance which govern the subject property as existing of which should continue its use before and after the proposed right-of-way acquisition. Therefore, the highest and best use of commercial use "as if vacant" and "as improved" would therefore be legally permissible as of the date of this report.

The physical characteristics of the subject property as a whole are typically found throughout the southern region of the City of Alamo. The subject property contains adequate land area and frontage along Alamo Road to allow for future commercial development before and after the proposed acquisition. Based on the size and shape of the subject property as a whole and the remainder before and after the acquisition, the property shall maintain a single family residential highest and best use. As for the part to be acquired, it contains limited use based on its proposed size and shape and therefore does not constitute an economic unit in itself and must be used in conjunction with the whole. Since the valuation of the part to be acquired is based on the pro-rata part of the whole, then the part to be acquired shall be evaluated with a similar highest and best use as the whole. This highest and best use shall not be affected for the remainder before and after the acquisition.

The financial feasibility and maximally productive use of the subject property is based on the continued growth along Alamo Road, which includes single family residential, commercial, and light to heavy industrial uses. Based on the continued growth along Alamo Road, it is estimated that the subject can be financially feasible to contain a commercial use "as if vacant" and "as improved". This determination of financial feasibility and productivity is also attributed to the remainder before and after the taking which will not be affected nor damaged as a result of the part to be acquired.

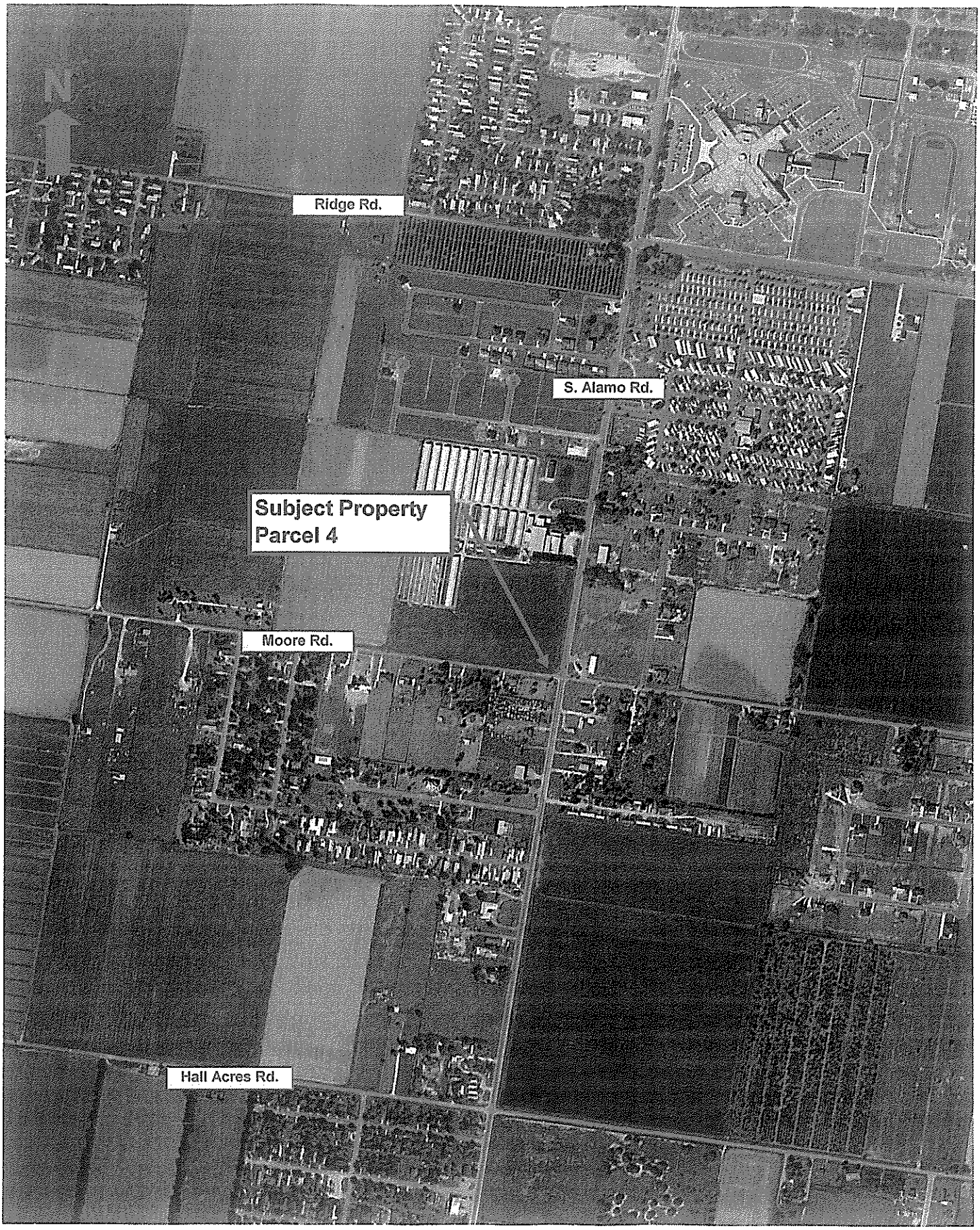
After careful review of the four approaches to the highest and best use test, it is concluded that the subject property "as if vacant" and "as improved" shall be for commercial residential use. This conclusion is correlated to the property as a whole, part to be acquired and the remainder before and after the acquisition.

LOCATION MAP OF SUBJECT PROPERTY



Copyright 1996-2006 TexMaps

AERIAL PHOTOGRAPH OF SUBJECT AREA



AERIAL PHOTOGRAPH OF SUBJECT

(Closer View of Subject Property)



NOTE: SUBJECT PARCEL AS A WHOLE IS ESTIMATED AND DEPICTED BY THE RED DASHED LINE. THIS INCLUDES THE PART TO BE ACQUIRED WHICH IS OUTLINED IN YELLOW. COMPLETE SURVEY OF SUBJECT AS A WHOLE WAS NOT PROVIDED BY ARANDA AND ASSOCIATES, INC AND IS ESTIMATED BASED ON INFORMATION GATHERED DURING THE INSPECTION OF THE SUBJECT PROPERTY OR THE HIDALGO COUNTY APPRAISAL DISTRICT.

PHOTOGRAPHS OF SUBJECT PROPERTY

Parcel No.: 4

Local Address: NW corner of Moore Road and South Alamo Road, Alamo, Texas 78516

Date Taken: January 4, 2008

Taken By: Leonel Garza III

1. Point from which taken: Photo 1: Alamo Road R.O.W.
Photo 2: Moore Road R.O.W.

Looking: Photo 1: Western View
Photo 2: Northern View



Photo 1
Western view of subject property; taken from Alamo (FM 907) Road right-of-way.



Photo 2
Northern view of subject property; taken from Moore Road right-of-way.

2. Point from which taken: Photo 3: Alamo Road R.O.W.
Photo 4: Moore Road R.O.W.

Looking: Photo 3: Southwestern View
Photo 4: Northeastern View



Photo 3
Southwestern view of part to be acquired; taken from the South Alamo Road.



Photo 4
Northeastern view of part to be acquired; taken from the Moore Road.

PHOTOGRAPHS OF SUBJECT PROPERTY

Parcel No.: 4

Local Address: NW corner of Moore Road and South Alamo Road, Alamo, Texas 78516

Date Taken: January 4, 2008

Taken By: Leonel Garza III

1. Point from which taken: Photo 5: Alamo Road R.O.W.
Photo 6: Alamo Road R.O.W.

Looking: Photo 5: Northern View
Photo 6: Southern View

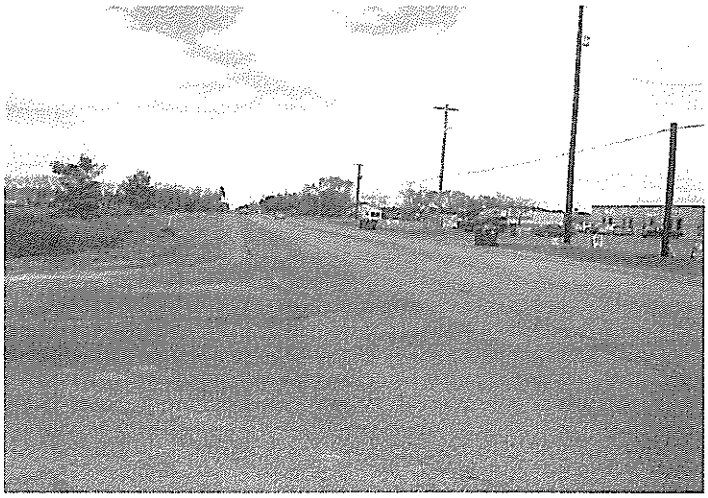


Photo 5
Northern view of South Alamo Road.

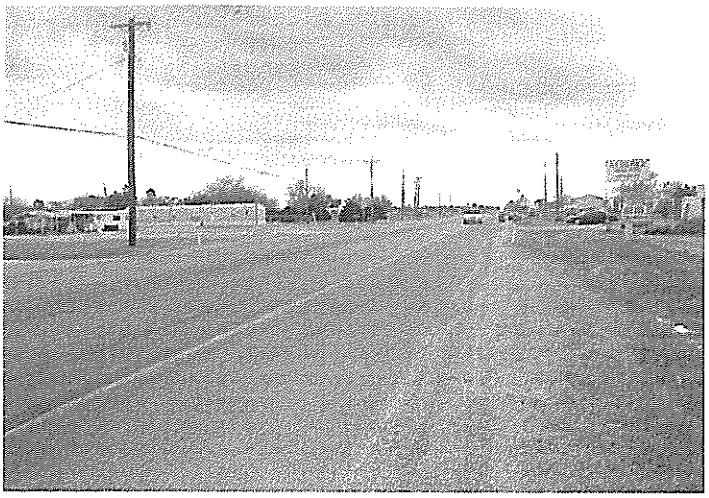


Photo 6
Southern view of South Alamo Road.

2. Point from which taken: Photo 7: Alamo Road R.O.W.
Photo 8: Moore Road R.O.W.

Looking: Photo 7: Northern View
Photo 8: Eastern View



Photo 7
Northern view of subject property frontage located along South Alamo Road.



Photo 8
Eastern view of the intersection of Moore Road and South Alamo Road.

DESCRIPTION OF PROPERTY:

The subject property, as a whole, is a 15.00 acre tract of land currently being utilized for agricultural use located along the northwest corner of FM 907 (Alamo Road) and Moore Road within the city of Alamo, Texas. According to the survey provided by Aranda and Associates, Inc, dated September 19, 2006, the part to be acquired is approximately 0.03 acres (1,250 square feet) net. This land area currently in fee simple shall be calculated at 100% of the unit value derived from the sales comparison approach as if vacant, which shall exclude any existing road right-of-way in order to derive the net area within the acquisition. This is performed in order to determine the pro-rata part of the whole for the purchase of said tract by the Hidalgo County Right-of-Way Department.

AREA OR NEIGHBORHOOD ANALYSIS:

The subject neighborhood along South Alamo Road (FM 907) is a mixture of single family residential subdivisions and RV parks. Several properties along South Alamo Road (FM 907) are in a state of development as new subdivisions are being created as indicated by the City of Alamo Planning Department. Leonel Garza Jr. & Associates LLC has inspected the market area along South Alamo Road (FM 907) and has found that the market is in a state of positive development of which is concentrated along South Alamo Road (FM 907), Stewart Road, and Ridge Road.

SITE ANALYSIS:

Five Year Sales History: The subject property is indicated to be under the ownership of Speedling Incorporated, A Florida Corporation, as indicated by survey and field notes provided by Aranda and Associates, Inc. Further investigation of the subjects history through the Hidalgo County Appraisal District and the Hidalgo County Clerks Office confirmed the current owner of record to be Speedling Incorporated, A Florida Corporation. The subject property was transferred from Alamo Transplants and Nursery, Inc. (Grantor) to Speedling Incorporation, A Florida Corporation (Grantee) on April 19, 1993. Therefore, the subject has been in the name of Speedling Incorporated, A Florida Corporation, for over fourteen (14)

Legal Description: (Whole Property) Lot 14, Block 32, Alamo Land & Sugar Co., Hidalgo County, Texas.

Legal Description: (Part to be Acquired) Being 1,250 square feet (0.03 acre) of land more or less, situated in Hidalgo County, Texas and also being a part or portion of a tract of land out of Lot Fourteen (14), Block Thirty Two (32), Alamo Land and Sugar Company's Subdivision as recorded in Volume 1, Pages 24-26, Hidalgo County Map Records and conveyed to Speedling Incorporated, a Florida Corporation in a document recorded in Document No. 316920, Dated April 20, 1993 of the Hidalgo County Official Records, and said 1,250 square feet (0.03 acre) also being more particularly described by metes and bounds.

Improvements: During the off-site inspection of the subject property, no building improvements were indicated within nor affected by the part to be acquired. Site improvements located within the proposed acquisition are valued utilizing cost estimates from Marshal & Swift Valuation Service and local contractors. Any utilities located within the part to be acquired shall be relocated as an item of construction and shall not be included within the compensation of the subject property as per scope of the assignment.

Highest and Best Use: Commercial Development

(Form ROW-A-^ Rev. 7/2004 Page 3 of 5 Continued on Next Page)

(Continuation from previous page)

VALUATION OF PART TO BE ACQUIRED

LAND VALUATION
Representative Comparable Sales

	Subject	Comp. No. 1	Comp. No. 2	Comp. No. 3
Grantor	Alamo Transplants and Nursery, Inc. a Texas Corporation	Faith Development, LLC	Wilder Corporation	Israel Lee Rivas and wife, Cynthia Rivas
Grantee	Speedling Incorporated, A Florida Corporation	SSP Partners	Esperanza Munoz	KFLP Limited
Date of Sale	April 20, 1993	December 28, 2006	February 18, 2004	August 2, 2007
Unit Price	/ SF	8.35 / SF	4.91 / SF	10.96 / SF
Relative Location	Average	Superior -30%	Superior -10%	Superior -50%
Lot Location	Corner Tract	Corner Tract 0%	Interior Tract 20%	Corner Tract 0%
Financing	Conventional	Similar 0%	Similar 0%	Similar 0%
Conditions of Sale	Cash To Seller	Similar 0%	Similar 0%	Similar 0%
Market Conditions	Average	Similar 0%	Similar 0%	Similar 0%
Physical Characteristics	Typical of Market	Similar 0%	Similar 0%	Similar 0%
Available Utilities	Water / Electricity / Phone	Similar 0%	Similar 0%	Similar 0%
Street Access / Frontage	South Alamo Road & Moore Road	SWC of I Road and Moore Road 0%	E/S of Cage Boulevard North of Moore Drive 0%	SWC of Cage & Hall Acres Road 0%
Size of Tract	15.00 Ac	1.36 Ac -30%	1.00 Ac -30%	0.89 Ac -30%
Net Adjustments		Δ -60%	Δ -20%	Δ -80%
Indicated Unit Value		$ 3.34 / SF	$ 3.93 / SF	$ 2.19 / SF

Estimated Unit Value of Fee Simple Area $ **3.50 / SF**

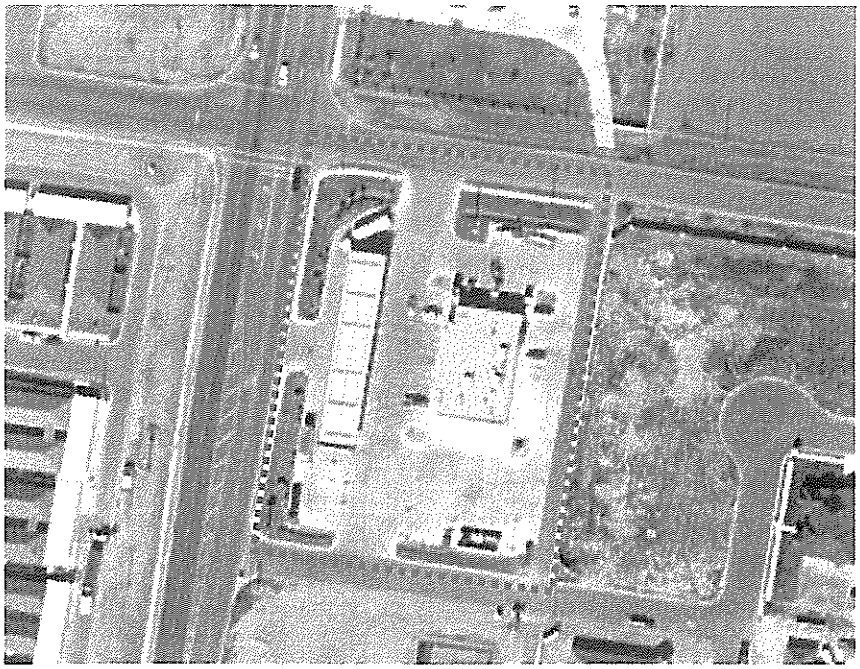
Estimated Value by Sales Comparison Approach **(1,250 SF @ $3.50 / SF)** $ **4,375**
(Includes Part To Be Acquired Only)

Form ROW-A-5S
Rev. 4/2003
GSD-EPC

COMPARABLE DATA SUPPLEMENT

ROW Account: N/A Parcel No.: 4 Highway: FM 907 (Alamo Road) County: Hidalgo County

Land Sale ☑ Improved Sale ☐ Rental Data ☐



Grantor/ Lessor: Faith Development, LLC Grantee/Lessee: SSP Partners

Date: December 28, 2006 Recording Information: Doc. 1703090 Key Map: N/A

Address: 2201 South "I" Road Zip Code: 78516

Legal Description: All of Lots One (1) and Two (2), Hacienda Palms Subdivision, an addition to the City of San Juan, Hidalgo County, Texas, according to a map or plat recorded in Volume 50, Page 6, Map Records, Hidalgo County, Texas.

Confirmed Price : $ 495,000 Verified with: Developer - Jerry Garza

Terms and Conditions of Sale: Cash To Seller

Rental Data: N/A

Land Size: 1.36 Acres or 59,252 Sf Unit Price as Vacant : $ 363,971 / Ac or $ 8.35 / Sf

Type Street: Asphalt Paved Street Utilities: Electricity/Phone/Water/Sewer

Improvement(s) Description: Vacant At Time of Sale

Improvement(s) Size: N/A (GBA) N/A (NRA) N/A Unit Price as Improved $:

Condition and Functional Design: N/A

Current Use: Circle K Convenience Store Highest and Best Use: Commercial Development

Date of Inspection: January 5, 2008 Zoning: N/A Flood Plain: Zone B

Attach Additional Information: Vacant corner tract of land located at the southeast corner of "I" Road and Moore Road in San Juan, Texas.

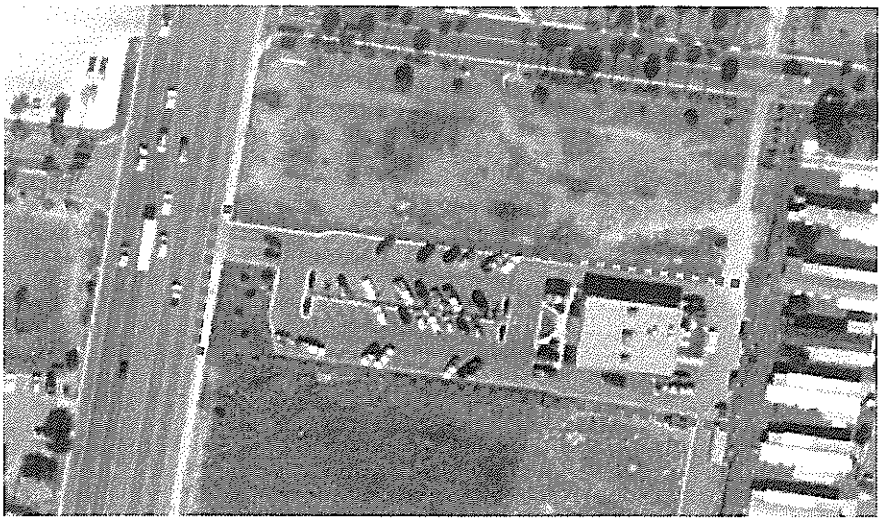
Appraiser: Leonel Garza III January 5, 2008
(Typed, not signed) Date

Form ROW-A-5S
Rev. 4/2003
GSD-EPC

COMPARABLE DATA SUPPLEMENT

ROW Account: N/A Parcel No.: 4 Highway: FM 907 (Alamo Road) County: Hidalgo County

Land Sale ☑ Improved Sale ☐ Rental Data ☐



Grantor/ Lessor: Wilder Corporation Grantee/Lessee: Esperanza Munoz

Date: February 18, 2004 Recording Information: Doc. 1300239 Key Map: N/A

Address: Located on the east side of Cage Boulevard just north of Moore Drive. Pharr, Texas. Zip Code: 78577

Legal Description: The south 117.73' feet of the north 267.73' feet out of Lot 2, Tropic Star Subdivision, an addition to the City of Pharr, Hidalgo County, Texas.

Confirmed Price: $ 214,000 Verified with: Deed Records & Esperanza Munoz

Terms and Conditions of Sale: Cash To Seller

Rental Data: N/A

Land Size: 1.00 Acres or 43,560 Sf Unit Price as Vacant : $ 214,000 /Acre or $ 4.91 / Sf

Type Street: Asphalt Paved Street Utilities: Electricity/Phone/Water/Sewer

Improvement(s) Description: N/A

Improvement(s) Size: N/A (GBA) N/A (NRA) N/A Unit Price as Improved $: N/A

Condition and Functional Design: N/A

Current Use: Vacant Highest and Best Use: Commercial Development

Date of Inspection: January 5, 2008 Zoning: Commercial / R-4 Flood Plain: Zone B

Attach Additional Information:

property consists of 43,560 square feet with ±117.73 lineal feet of frontage along the east side of Cage Boulevard. The property has access to all city of Pharr utilities with access to a 12' water line and a 12" sewer line. It is indicated by FEMA Flood Panel No. 4803470005C dated October 19, 1982 not to be located within a flood prone area with a Zone "C" Designation. Municipal zoning of the subject property is mixed with 200.0' being General Commercial and the remaining land in the rear being "R-4", Residential. The subject property is proposed to be improved with a Taco Fiesta Restaurant.

Appraiser: Leonel Garza III January 5, 2008
(Typed, not signed) Date

Form ROW-A-5S
Rev. 4/2003
GSD-EPC

COMPARABLE DATA SUPPLEMENT

ROW Account: N/A Parcel No.: 4 Highway: FM 907 (Alamo Road) County: Hidalgo County

Land Sale ☑ Improved Sale ☐ Rental Data ☐



Grantor/ Lessor: Cynthia Rivas Grantee/Lessee: KFLP Limited

Date: August 2, 2007 Recording Information: Doc. 1790242 Key Map: N/A

Address: The property is located at the southwest corner of Cage Boulevard and Hall Acres Road, Pharr, Texas. Zip Code: 78577

Legal Description: The east 285' feet of the north 136' feet of Lot 236, Kelly-Pharr Subdivision, an addition to the City of Pharr, Hidalgo County, Texas, according to a map or plat recorded in Volume 3, Page 134, Deed Records, Hidalgo County, Texas.

Confirmed Price: $ 425,000 Verified with: Sale Contract

Terms and Conditions of Sale: Cash To Seller

Rental Data: N/A

Land Size: 0.89 Acres or 38,768 Sf Unit Price as Vacant : $ 477,528 / Acre or $ 10.96 / Sf

Type Street: Asphalt Paved Street Utilities: Electricity/Phone/Water/Sewer

Improvement(s) Description: N/A

Improvement(s) Size: N/A (GBA) N/A (NRA) N/A Unit Price as Improved $: N/A

Condition and Functional Design: N/A

Current Use: Vacant Highest and Best Use: Commercial Retail

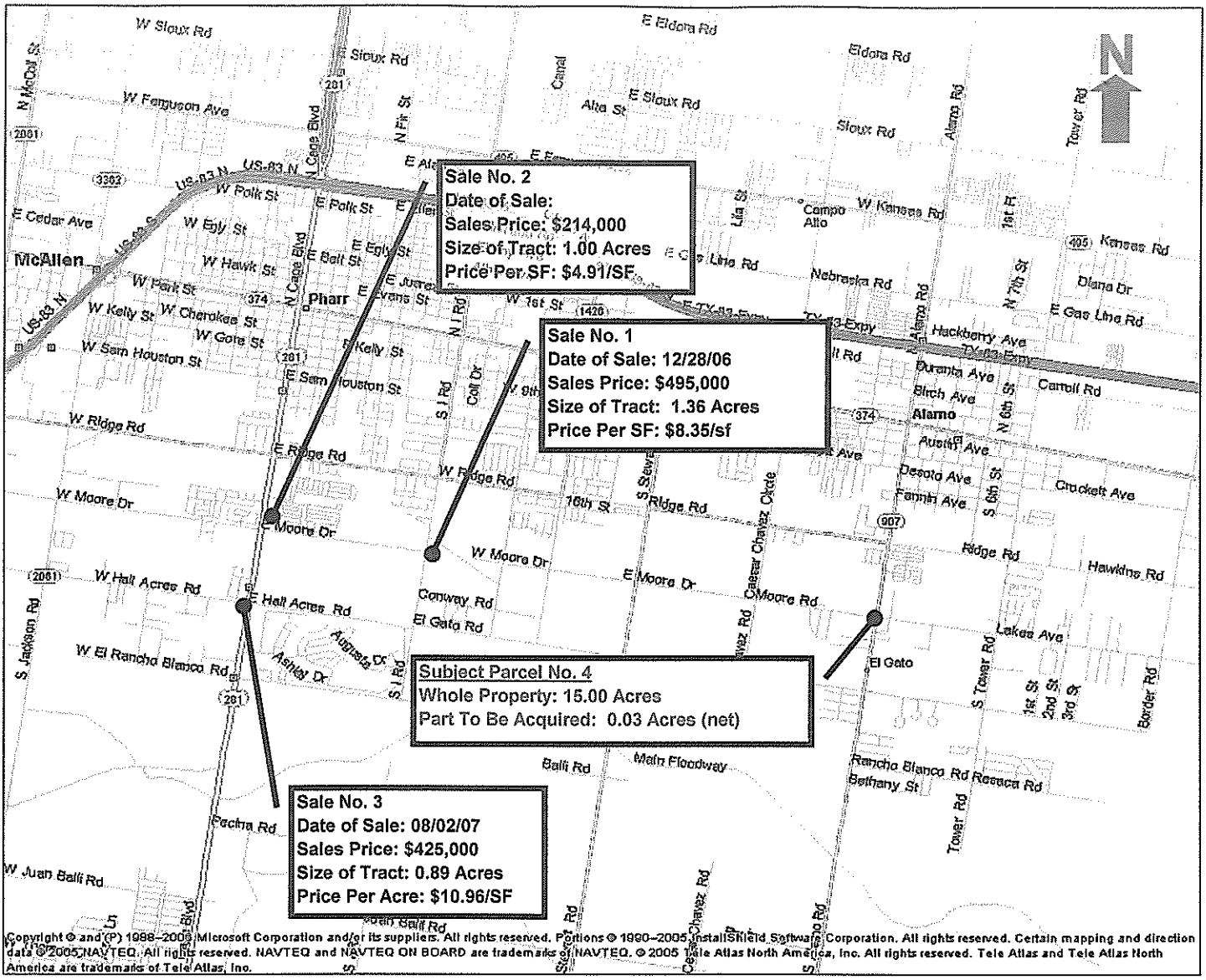
Date of Inspection: January 5, 2008 Zoning: Commercial Flood Plain:

Attach Additional Information:

The sale is located at the southwest corner of South Cage Boulevard (U.S. Highway 281) and Hall Acres Road in Pharr, Texas. At the time of the sale the property was a vacant tract of land consisting of 0.89 Acres (38,768.40 square feet) gross or 0.652 Acres (27,007.20 square feet) net, with a dimension of 285.0' x 136.0'. According to the city of Pharr the site has access to all utilities which includes water and sewer. FEMA indicated that the subject property is located in Zone "B" which is not prone to flooding.

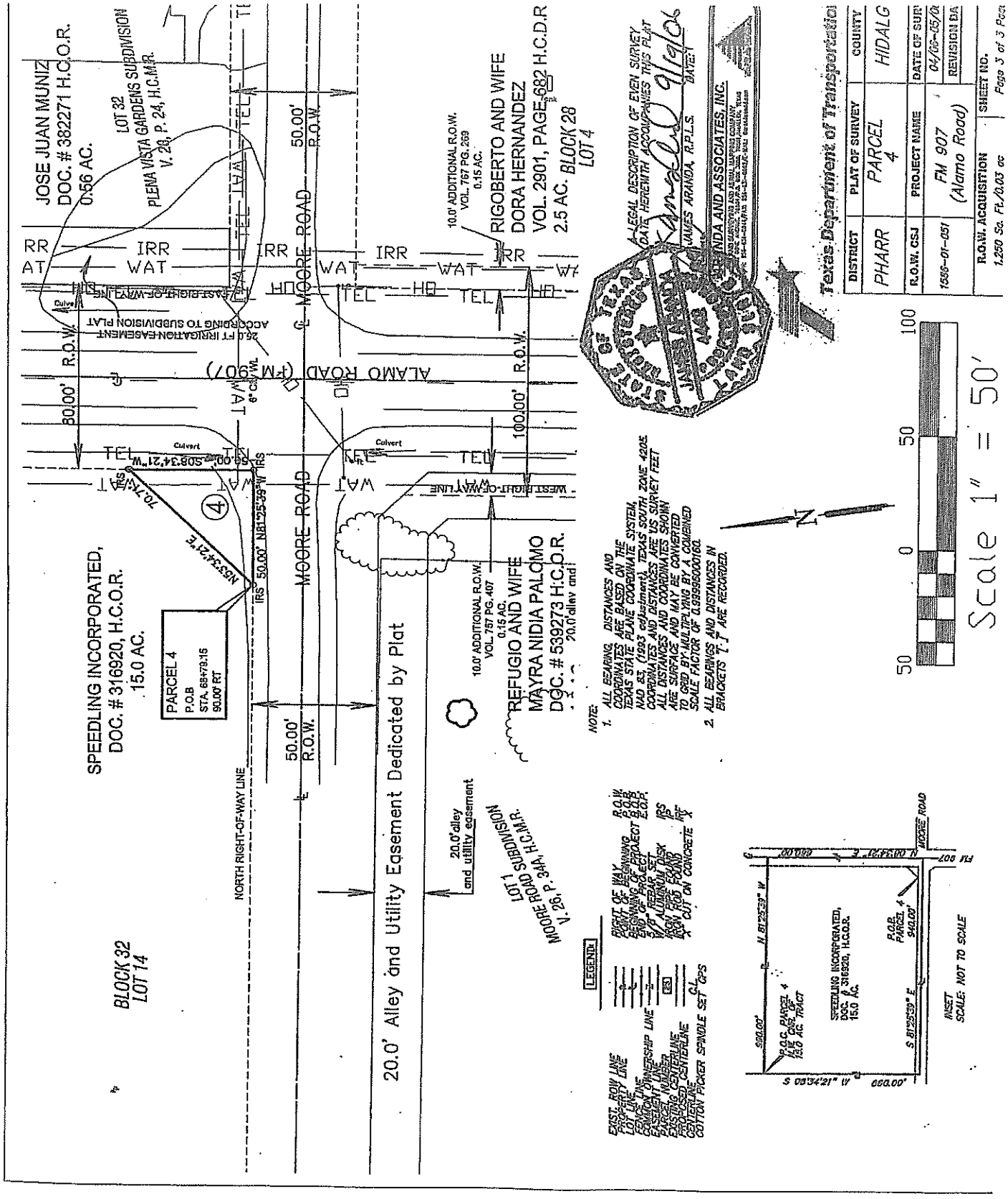
Appraiser: Leonel Garza III January 5, 2008
(Typed, not signed) Date

COMPARABLE SALES MAP



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SURVEY OF SUBJECT PROPERTY (Page 1 of 1)



Yellow Highlight = Proposed Right-of-Way

Parcel 4
Page 1 of 3
Survey Date: 04/06-05/06
Revision Date:

Exhibit "A"

County: HIDALGO
Highway: FM 907 (Alamo Road)
ROW CSJ: 1586-01-051
CCSJ: 1586-01-045

Parcel 4
Property Description

Being 1,250 square feet (0.03 acre) of land more or less, situated in Hidalgo County, Texas and also being a part or portion of a tract of land out of Lot Fourteen (14), Block Thirty Two (32), Alamo Land and Sugar Company's Subdivision as recorded in Volume 1, Pages 24-26, Hidalgo County Map Records and conveyed to **SPEEDLING INCORPORATED, A FLORIDA CORPORATION** in a document recorded in Document No. 316920, Dated April 20, 1993 of the Hidalgo County Official Records, and said 1,250 square feet (0.03 acre) also being more particularly described by metes and bounds as follows;

COMMENCING on an iron rod set on the northwest corner of said Speedling Incorporated, a 15.00 acre tract, THENCE as follows:

S 08° 34′ 21″ W, along the West line of said Speedling Incorporated Tract, a distance of 640.00 feet to the North right of way Line of Moore Road. Thence, continuing along the North right of way line of Moore Road, S 81° 25′ 39″ E, a distance of 940.00′ feet to a ½" iron rod set for the southwest corner of this tract and the **POINT OF BEGINNING;**

(1) Thence, N 53°34′21″ E, to the West right of way line of FM 907 (Alamo Road), a distance of 70.71 feet to a ½" iron rod set with an aluminum cap, for the northeast corner of this tract;

(2) Thence, S 08°34′21″ W(S 08° 45′ 00″ W), in a southerly direction along the West right-of-way line of FM 907 (Alamo Road), a distance of 50.00 feet to a ½" rod set with an aluminum cap, for the southeast corner of this tract;

FIELD NOTES OF PART TO BE ACQUIRED (Page 2 of 2)

Parcel 4
Page 2 of 3
Survey Date: 04/06-05/06
Revision Date:

(3) Thence, N 81°25'39" W (N 81° 15' 00" W), along the north line of Moore Road a distance of 50.00 feet to the **POINT OF BEGINNING** and containing 1,250 square feet (0.03 acre) of land, more or less.

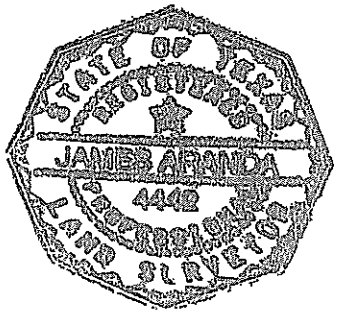
Note: The Point of Beginning of this description has coordinates of X = 1106758.4180 and Y = 16586204.7512; All bearings are based Texas State Plane Coordinate System, NAD 83 (1993 Adj.), South Zone 4205. All coordinates shown are surface and maybe converted to grid by dividing by TxDOT conversion factor of 1.0000400;

I, James Aranda, a Registered Professional Land surveyor, hereby certify that the legal description hereon and the accompanying plat of even date represent an actual survey made on the ground under my supervision.

James Aranda 9/19/06

James Aranda, R.P.L.S. Date
Texas Registration No. 4442

R.P.L.S. SEAL



Explanation of Adjustments with Reconciliation:
During the analysis of the part to be acquired, the value for the subject property as a whole was determined. This determination of market value is utilized for the valuation of the part to be acquired which is a pro-rata part of the whole. The local market was searched for comparable sales of which contained similar frontage along South Alamo Road (FM 907) and other similar nearby thoroughfares. Each of the sales utilized are located on or near intersection similar to the subject property. Adjustments were required to each of the comparable sales due to inferior and superior qualities in direct comparison with the subject. Three sales were selected which were the most comparable to the subject property and required the least number of adjustments. The following three comparable sales were reviewed for location, available utilities, financing, site utility, topography and other factors of which the real estate market shall recognized for the purchase of said tracts.

Sale No. 1 is located at the southeast corner of I Road and Moore Road within the City of Pharr. The subject property was originally purchased by Faith Development for a single family residential subdivision of which consisted of approximately 16 acres. The developer subdivided the frontage along I Road and sold this portion to SSP Corporation also known as Circle K Convenience Store. The subject was vacant at the time of inspection. Due to the superior location of the comparable a downward adjustment of -30% was indicated. A final adjustment of -30% was also indicated for the difference in size. No further adjustments were required. Based on the adjustments indicated for the comparable sale, the subject property indicated unit value is $3.34 per square foot.

Sale No. 2 is located along the eastern side of Cage Boulevard, just north of Moore Drive within the City of Pharr. The subject is currently improved with a Taco Fiesta Restaurant. Due to the superior location of the comparable sale a downward adjustment of -10% was indicated. However, an upward adjustment for being an interior tract of +20% was also indicated. A final adjustment of -30% was also indicated for the difference in size. No further adjustments were indicated for the comparable sale. Based on the adjustments indicated for the comparable sale, the subject property indicated unit value is $3.93 per square foot..

Sale No. 3 is located at the southwest corner of Cage Boulevard and Hall Acres Road within the City of Pharr. The subject property was purchased for commercial speculation. Due to the superior location of the comparable sale a downward -50% adjustment was required. No other adjustments were required for this comparable sale. A final adjustment of -30% was also indicated for the difference in size. Based on the adjustments indicated for the comparable sale, the subject property indicated unit value is $2.19 per square foot.

After reviewing the comparable sales selected, an unadjusted unit range of market value of $4.91 per square foot to $10.96 per square foot was indicated. After adjustments were made in paired sales analysis of the comparable to the subject property, an adjusted range of market value of $2.19 per square foot to $3.34 per square foot was determined. Based on the existing developments within the immediate market area and the current trends found along Alamo Road and Ridge Road, a unit value near the middle of the adjusted range; $3.50 per square foot.

ESTIMATED VALUE OF ACQUISITION

Land:	1,250 SF	@	$	3.50	Per Square Foot	$	4,375

Improvements:	No Site Improvements Indicated	$	-
		$	-
		$	-
		$	-
		$	-
	Total Improvements	$	-

TOTAL ESTIMATED VALUE	$	4,375
Cost To Cure Damages	$	-
Estimated Total Compensation	$	4,375

ADDENDUM

1. Certification of Appraisal
2. Assumption & Limiting Conditions
3. Qualifications of Appraisers
4. Letter of Inspection Sent To Owner of Record Via Certified Mail
5. Certified Letter Tracking Information
6. Warranty Deed

Certification of Appraisal

I certify that, to the best of my knowledge and belief:

* The statements of fact contained in this report are true and correct.
* The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
* I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest with respect to the parties involved.
* I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
* My engagement in this assignment was not contingent upon developing or reporting predetermined results.
* My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
* My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice in conjunctions with the standards accepted by the Texas Department of Transportation.
* I have made a personal observation of the property that is the subject of this report. Assisting in the gathering of on-site information during the date of inspection was Luis Carlos Garza, Appraiser Trainee. Their specific use during this project was limited to the measuring of improvements located within taking and those items which may be damaged by the part to be acquired, aiding in the photography of the subject property and partial analysis. The full analysis and data gathering of sales information and other information concerning the subject property was performed by Leonel Garza III, General Certified Appraiser.
* I certify that, to the best of my knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
* I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representative and for the purpose of right-of-way acquisition only and does not meet the standards required by certain financial institutions for the purpose of acquiring a loan.
* The employment and compensation of this appraiser in completing this appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of the client to begin negotiations of said property for acquisition.

Leonel Garza III
General Certified Real Estate Appraiser
License No. TX - 1328375-General

Luis Carlos Garza
Appraiser Trainee
License No. TX - 1335013 - Trainee

ASSUMPTIONS AND LIMITING CONDITIONS

This report has been prepared with the following general assumption:

1. No responsibility is assumed for the legal description or for matters including legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
5. All engineering, title reports and surveys provided are assumed to be correct. The survey and field notes and other illustrative material in this report are included only to assist the reader in visualizing the property.
6. It is assumed that there are no hidden or un-apparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.
7. It is assumed that the property is a full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.
8. It is assumed that all required licenses; certificates of occupancy, consents, or other legislative or administrative authority from any local state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimate contained in this report is based.
9. It is assumed that the use of the land and improvements is confined within the boundaries or property line of the property described and that there is no encroachment or trespass unless noted in the survey provided.
10. Unless otherwise stated in this report, this appraiser did not observe the existence of hazardous material, which may or may not be present on the property. The appraiser does not have any knowledge of the existence of such material on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

This appraisal report has been made with the following general limiting conditions:

1. Any allocation of the total value of the total valuation in this report between land and improvements applies only under the stated program of utilization. The separate allocations for land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. Possession of this report, or a copy thereof, does not carry with it the right of publication with out the written permission of Leonel Garza Jr. & Associates LLC.
3. The appraiser, by reason of this appraisal, is not required to give further consultation, testimony, or be in attendance in court with reference to the property in question unless arrangements have been previously made.
4. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraiser and or the client of this report.
5. If the property rights appraised are the "Leased Fee Estate", then the final indicated market value estimate is based on the continued performance under the lease terms.
6. All original appraisal reports have been signed in blue. Any other copy, which is not signed in blue, may have been altered, and this appraiser is not responsible for its contents or values indicated.

Assumptions and Interpretations Made of the Marketing Period

1. Marketing Time Period: Begins with the date of value estimate and with the indicated exposure time.
2. Exposure to the open market: listing the property on the market for sale with a Realtor, member of Multiple Listing Service, or a licensed Real Estate Broker, that will properly expose the property to the market. This appraiser does not consider a sign placed by a property owner on the property as proper marketing. If the property is presently listed for sale on the market, this appraiser must be notified prior to the completion of the appraisal.
3. Exposure Time: The length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.

QUALIFICATIONS OF APPRAISER - LEONEL GARZA III

EDUCATION

* **Graduate, 1995, Texas A&M University, College Station, Texas**
  Bachelor of Science in Biomedical Science

* **Graduate, 1991 McAllen Memorial High School, McAllen, Texas**

LICENSE HELD

* **State Certified General Real Estate Appraiser**
* License Number TX - 1328375-General
* December 31, 2006 Through December 31, 2008 (Active)

PUBLIC SERVICE & PROFESSIONAL ORGANIZATIONS

* **Associate Member of the Appraisal Institute (Not an MAI Designated Appraiser)**
  Currently taking courses toward the designation of MAI through the Appraisal Institute. Approximate time of completion, 2 years)

* **Chairman of the City of McAllen Zoning Board of Adjustments & Appeals**
  The ZBOA protects enforces and reviews the current city zoning ordinances for all types of properties within the boundaries of the City of McAllen. Cases heard are first brought to the City Planning and Zoning Commission and then to the ZBOA if a variance is required. The ZBOA shall review the previous boards decision and upon a super-majority vote shall decide whether or not the applicants request for overturning the previous boards action is required.

* **Chairman of the Hidalgo County Subdivision Review Board**
  The county commission on subdivision review's primary goal is to ensure that proper standards, set by Texas State Law and the Texas State Attorney Generals Office, are mandated by each proposed subdivision developer and or land owner who resides within the County of Hidalgo and or Extraterritorial Jurisdiction of municipalities throughout the County of Hidalgo.

* **Chairman of the Hidalgo County Building Line of Adjustments Board**
  This county advisory board reviews applications of those who have recently constructed or contain non-conforming structures of which are not in compliance with a recorded subdivision plat nor the Hidalgo County Planning Departments minimum set back requirements. These requirements are govern by the Texas Water Development Board and the Texas Model Subdivision Rules.

* **Former Executive Board Member of the Lower Rio Grande Boy Scout Council**
  The goal of the council is to maintain membership and the continued progress of the boy scouts within the Lower Rio Grande Valley. The council shall maintain progress reports of financial status of the council and plan for events world wide which local children may participate as a representative of the council. These events include the World Jamboree and the National Jamboree.

* **Former Vice Chairman and Member of the City of McAllen Ambulance Advisory Committee**
  The Ambulance Advisory Committee is responsible for review the current contract provider for 911 services within the City of McAllen and attend to any concerns and or complaints toward the contractor.

* **Former Member of the City of McAllen Building Board of Adjustment and Appeals**
  The BBOA reviews the decision of City Staff for the demolition of properties deemed unsafe through the City for a variety of reasons. The board review all facts and concerns and make the decision to secure or proceed with demolition based upon the safety of the neighboring property owners and occupants. The greatest concern for the commission is the safety of the surrounding neighborhood occupants.

* **Former Member of the Pharr Municipal Park Charter Committee**
  Appointed in 1998-1999, our goal was to establish a 103-acre master planned recreational park to the City of Pharr during our membership with the City of Pharr Leadership Class X. The project is still on-going.

WORK EXPERIENCE & CONTINUING EDUCATION

* Employee of Leonel Garza Jr. & Associates since 1990
* State Certified General Real Estate Appraiser since 1998 - Present
* Owner of G-3 Construction which primary focus is custom single-family residences and multifamily apartment complexes.
* Commercial property manager throughout the City of McAllen & Pharr, Texas.
* Appraiser Trainee from 1995 thru 1998 under the sponsorship of Leonel Garza Jr. Leonel Garza Jr. was a State Certified General Real Estate Appraiser in McAllen, Texas for over 18 years, and was a Board Member of the Texas State Appraisal Review Board from October 23, 1995 Through September 15, 1998 appointed by Governor George W. Bush for two terms.

Clients For Whom Appraisals Have Been Prepared By This Appraiser

Banks	Bankruptcy Courts	Cities	Counties
Attorneys	Texas Department of Transportation	Alamo	Hidalgo
Retailers	Homeowners	Mission	Cameron
Doctors	Rancher	McAllen	Star
Oil Companies	Banks	Pharr	
Farmers	National Franchises Estate Planners	Hidalgo	
Mortgage Companies		San Juan	
Hotel Franchises		Edinburg	
US Department of Interior		Mercedes	

Type of Appraisals Which Have Been Prepared By This Office

Caliche Pits / Land Fills	Apartment Complexes	Agricultural Land
Commercial Lots	Automobile Agencies	Bar / Lounges
Convenience Stores	Mini-Storage Units	Grocery Stores
Farms & Ranches	Mobile Home Park Subdivision	Multi- Tenant Retail
Industrial (McAllen Foreign Trade Zone)	Motels / Hotels	Multi-Tenant Offices
Industrial Subdivisions	Ranches	Residential
Medical Offices	Residential Subdivisions	Vacant Residential Lots
Retail Commercial Strips	Restaurants	Veterinary Clinics
Warehouses	Right-of-Way Acquisitions	
	Truck Stops	

Areas Where Appraised Properties Have Been Performed By This Office

Alamo	Georgewest	McAllen	Rio Grande City
Alice	Hargill	McCook	Roma
Austin	Harlingen	Mercedes	San Antonio
Beeville	Hidalgo	Mission	San Juan
Donna	Kingsville	New Braunfels	South Padre Island
Edcouch	Kyle	Palmview	Sullivan City
Edinburg	La Feria	Pleasanton	Weslaco
Eagle Pass	La Joya	Port Isabel	Zapata
Elsa	Los Ebanos	Progreso	

CERTIFIED LETTER OF INSPECTION TO PROPERTY OWNER

Leonel Garza Jr. & Associates LLC
Appraisal Services
1419 Dove, Suite 1 - McAllen, Texas 78504
(956) 687-7295 (24 hour answering service) Fax (956) 687-9236 / leonel3@aol.com

November 15, 2007

1586-01-051 Parcel 4

Speedling Incorporated

P.O. Box 7220

Sun City,FL 33586-7220

To Whom It May Concern:
Leonel Garza Jr. & Associates LLC has been contracted by Hidalgo County Right of Way Department to appraise various properties along the FM 907 (Alamo Road) from Ridge Road thru El Gato Road for the purpose of acquiring additional right-of-way (land). The purpose of such "right-of-way" is for the expansion and renovation of FM 907 (Alamo Road). This project is Phase I of a master plan created by Hidalgo County Right of Way Department to enhance the roadway within your neighborhood. The County is interested in acquiring a portion of your frontage along FM 907 (Alamo Road) for this expansion in the name of the State of Texas in fee simple. Marked on the attached exhibit is the portion of land, which is to be appraised and purchased. This is the beginning process for future negotiations to acquire and compensate you for your land. If you or your representative wish to meet with us to discuss the purpose of the appraisal and join me for an on-site inspection of your land, I can be reached at (956) 687-7295. I will be researching the market area for any and all real estate sales, and would appreciate any leads or information in which you may have. If you have any questions please call the office of Leonel Garza Jr. & Associates LLC at (956) 687-7295 located in McAllen, Texas.

We believe that you may own this property affected by the acquisition. If you are not the owner of this property, we ask that you please contact us.

An off-site inspection and photographs of your property may have already been conducted from the existing road right of way. If you have any questions regarding this inspection of your property or care to join us for a re-inspection of your property please call the office of Leonel Garza Jr. and Associates LLC at (956) 687-7295. Thank you.

Sincerely,

Leonel Garza III
State Certified General
Real Estate Appraiser
TX – 1328375-General

Cc: Hidalgo County Right-of-Way Dept.
Bobby Villarreal – Right-of-Way Agent
509 East Earling Road
San Juan, Texas
Office Phone (956) 283-8134

CERTIFIED LETTER TRACKING INFORMATION

7005 3110 0000 0984 4613

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com®

OFFICIAL USE

Postage	$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	$ 5.21

Postmark Here

NOV 19 2007

FM907 P.4

Sent To: Speedling Incorporated
Street, Apt. No., or PO Box No.: P.O. Box 7220
City, State, ZIP+4: Sun City, FL 33586-7220

PS Form 3800, June 2002 — See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

1586-01-051 Parcel 4
Speedling Incorporated
P.O. Box 7220
Sun City, FL 33586-7220

FM907 (Alamo Rd.)

COMPLETE THIS SECTION ON DELIVERY

A. Signature: X S Brun — ☐ Agent ☐ Addressee

B. Received by (Printed Name): S Brennan — C. Date of Delivery: 26 NOV 2007 PM 1 L

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

SUN CITY FL 33586 NOV 20 2007

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? *(Extra Fee)* ☐ Yes

2. Article Number *(Transfer from service label)* 7005 3110 0000 0984 4613

PS Form 3811, February 2004 — Domestic Return Receipt — 102595-02-M-1540

DOC# 316920

Property Appraiser's
Tax Identification No. _____

WARRANTY DEED A1500 00 032 0014 01

THIS WARRANTY DEED, made this 19 day of April, 1993, by ALAMO TRANSPLANTS AND NURSERY, INC., a Texas corporation, having its principal place of business at One Mile South Alamo Road (FM 907), Alamo, Texas 78516 ("Grantor"), and SPEEDLING, INCORPORATED, a Florida corporation having its principal place of business at 4300 Old Highway 441, Sun City, Florida 33586 ("Grantee");

(Whenever used herein the terms "Grantor" and "Grantee" include the parties hereto and their successors and assigns.)

WITNESSETH: That Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration to Grantor in hand paid by Grantee, the receipt whereof is hereby acknowledged, has granted, bargained, sold, conveyed, remised, released and transferred unto Grantee and by these presents does grant, bargain, sell, convey, remise, release and transfer unto Grantee and its successors and assigns forever, the land situate, lying and being in Hidalgo County, Texas, described in Exhibit A which is attached hereto and incorporated herein by reference.

TOGETHER with all of the tenements, hereditaments, and appurtenances with every privilege, right, title, interest, and estate, revision, remainder, and easements thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD the same in fee simple forever.

AND Grantor does hereby fully warrant the title to said land and will defend the same or any part thereof, all and singular, against the lawful claims of all persons whomsoever.

IN WITNESS WHEREOF, Grantor has caused these presents to be duly executed in its name by its president on the date first above written.

WITNESSES:

ALAMO TRANSPLANTS AND NURSERY, INC.

Print Name: Edna Cazares

Print Name: Maria E. Garza

By: Charles E Meacham
Charles Meacham,
Its President

STATE OF TEXAS
COUNTY OF HIDALGO

The foregoing instrument was acknowledged before me this 19th day of August, 1993, by Charles Meacham as President of Alamo Transplants and Nursery, Inc., a Texas corporation, on behalf of the corporation. He is personally known to me and did not take an oath.

Notary Public, State of Texas

Print Name: _____

MARY ALICE ISLAS
Notary Public
STATE OF TEXAS
My Comm. Exp. June 30, 1996

My Commission Expires:

(SEAL)

CHARGE TO & RETURN TO:
EDWARDS ABSTRACT & TITLE CO.

TT#130682.1

EXHIBIT "A"

The South 15 acres of the East 30 acres of Lot 14, Block 32, Alamo Land & Sugar Company's Subdivision, Hidalgo County, Texas, as per map or plat thereof recorded in Volume 1, Pges 24-26, Map Records, Hidalgo County, Texas.

RECORDED IN
OFFICIAL RECORDS
OF MOHAVE COUNTY
RON GOULD
COUNTY RECORDER
FEE NO. 2012-051425
DATE 05/24/12
TIME 15:44:05
PAGES 4

INFORMATION FOR REAL ESTATE 1099-S REPORT FILING
as required by the Internal Revenue Service

SOLICITATION

Section 6045 of the Internal Revenue Code, as amended by the Tax Return Act of 1986, requires the reporting of certain information to the IRS on real estate transactions. The information may also be sent to other third parties. You are required by law to provide the settlement agent with your correct Taxpayer Identification Number. If you do not provide the settlement agent with your Taxpayer Identification Number, you may be subject to civil or criminal penalties as imposed by law.

File Number: 3129264 Taxpayer ID Number: 59-2324368

Taxpayer ID Type: Business

Name: SPEEDLING INCORPORATED A FLORIDA CORPORATION

Mailing Address: P.O. Box 7220
SUN CITY, FL 33586-7220

TRANSACTION INFORMATION

Closing Date: 9/16/2008 Contract Sales Price: $6,000.00

County, city, and school taxes paid in advance by seller, charged to buyer:

Description of Property: FM 907 ALAMO RD, ALAMO, TX 78516

Has the seller received (or will receive) property other than cash and consideration treated as cash or services as part of the consideration or this transaction? No

If multiple sellers - Request is hereby made that you allocate the sales price among the sellers:
SPEEDLING INCORPORATED A FLORIDA CORPORATION-$6,000.00

If multiple sellers- Request is hereby made that you allocate the seller tax credit among the sellers:

CERTIFICATION

Under penalty of perjury, I certify that the number shown on this form is my correct Taxpayer Identification Number. I also certify that the other information shown herein is correct. I acknowledge receipt of a copy of this form.

Date: 9/18/2008

Mike Sam
Seller's Signature

SETTLEMENT AGENT INFORMATION (to be completed by settlement agent)

Name: Sierra Title of Hidalgo County, Inc.
3401 North 10th Street
McAllen, TX 78501

Phone: (956) 682-8321

Taxpayer ID Number: 74-1649949

Suzanne Musser

NOTARY PUBLIC STATE OF FLORIDA
Notary Public State of Florida
Suzanne Musser
My Commission DD439218
Expires 06/17/2009

SUBSTITUTION FORM 1099

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction will be imposed on you if this item is required to be reported and the IRS determines that it has not been reported.

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Texas Department of Transportation

Form ROW-N-14
Rev. 8/2003
Replaces Forms D-15-11, D-15-14, D-15-141, D-15-142,
ROW-N-12PT,ROW-N-14, ROW-N-141, and ROW-N-142
GSD-EPC

DEED

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

WHEREAS, the Texas Transportation Commission has been authorized under the Texas Transportation Code Chapters 203, 224, and 361 to purchase land and such other property rights (including requesting that counties and municipalities acquire highway right of way) deemed necessary and convenient to a state highway or turnpike project to be constructed, reconstructed, maintained, widened, straightened, or extended, or to accomplish any other purpose related to the location, construction, improvement, maintenance, beautification, preservation, or operation of a state highway or turnpike project, and including the acquisition of such other property rights deemed necessary for the purposes of operating a designated state highway or turnpike project, with control of access as necessary to facilitate the flow of traffic and promote the public safety and welfare on both non-controlled access facilities, as well as facilitating the construction, maintenance and operation of designated controlled access highways and turnpike projects;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That, **SPEEDLING INCORPORATED, A FLORIDA CORPORATION, P.O. Box 7220, Sun City, Florida 33586-7220,** hereinafter referred to as Grantor, whether one or more, for and in consideration of the sum of ($6,000.00), the consideration recited herein represents a settlement and compromise by all parties as the value of the property herein conveyed in order to avoid formal Eminent Domain proceedings as the added expense of litigation, to Grantors in hand paid by the State of Texas, acting by and through the Texas Transportation Commission, receipt of which is hereby acknowledged, and for which no lien is retained, either expressed or implied, have this day Sold and by these presents do Grant, Bargain, Sell and Convey unto the State of Texas all that certain tract or parcel of land lying and being situated in the County of Hidalgo, State of Texas, more particularly described in Exhibit "A," which is attached hereto and incorporated herein for any and all purposes.

Being 1,250 square feet (0.03 acre) of land more or less, situated in Hidalgo County, Texas and also being a part or portion of a tract of land out of Lot Fourteen (14), Block Thirty Two (32), ALAMO LAND AND SUGAR COMPANY'S SUBDIVISION, as recorded in Volume 1, Pages 24-26, Hidalgo County Map Records and conveyed to SPEEDLING INCORPORATED, A FLORIDA CORPORATION in a document recorded in Document No. 316920, Dated April 20, 1993 of the Hidalgo County Official Records, and said 1,250 square feet (0.03 acre) also being more particularly described by metes and bounds as follows;

SEE EXHIBIT "A" ATTACHED HERETO:

SAVE and EXCEPT, HOWEVER, it is expressly understood and agreed that Grantors are retaining title to the following improvements located on the property described as follows.

Grantors covenant and agree to remove the above-described improvements from said land by the N/A day of NA/ NA, subject, however, to such extensions of time as may be granted by Grantee, its successor and assigns, in writing; and if, for any reason, Grantors fail or refuse to remove same within said period of time prescribed, then, without any further consideration, the title to all or any part of such improvements not so removed shall pass to and vest in the Grantee, its successors and assigns, forever.

Grantors reserve all of the oil, gas and sulphur in and under the land herein conveyed but waive all rights of ingress and egress to the surface thereof for the purpose of exploring, developing, mining or drilling for same; however, nothing in this reservation shall affect the title and rights of the Grantee, its successors and assigns, to take and use all other minerals and materials thereon, therein and thereunder.

Grantors hereby acknowledge that their use of and access to the state highway facilities and/or turnpike project (hereafter called highway facility) to be constructed in conjunction with the highway facility of which the land hereby conveyed shall become a part, shall be and forever remain subject to the same regulation by legally constituted authority as applies to the public's use thereof; and Grantors further acknowledge that the design and operation of such highway facility requires that rights of ingress and egress and the right of direct access to and from Grantors' remaining property (if any) to said Highway facility, shall hereafter be governed by the provisions set out in said Exhibit "A", **SAVE AND EXCEPT** in the event access, or access points may be specifically allowed or permitted in said Exhibit "A", such access shall be subject to such regulation as is determined by the Texas Department of Transportation and/or the Texas Turnpike Authority Division to be necessary in the interest of public safety and in compliance with approved engineering principles and practices and subject to compliance with any applicable local municipal or county zoning, platting and/or permit requirements.

TO HAVE AND TO HOLD the premises herein described and herein conveyed together with all and singular the rights and appurtenances thereto in any wise belonging unto the State of Texas and its assigns forever; and Grantors do hereby bind ourselves, our heirs, executors, administrators, successors and assigns to Warrant and Forever Defend all and singular the said premises herein conveyed unto the State of Texas and its assigns against every person whomsoever lawfully claiming or to claim the same or any part thereof.

IN WITNESS WHEREOF, this instrument is executed on this the 16th day of September, 2008.

SPEEDLING INCORPORATED, A FLORIDA CORPORATION

By: Mike Samiliam

MIKE SAMILIAM,
Vice President

9/18/2008

Suzanne Musser

Notary Public State of Florida
Suzanne Musser
My Commission DD439218
Expires 9/17/2009

Corporate Acknowledgement

State of Florida
County of Hillsborough

This instrument was acknowledged before me 18th day of September, 2008, by **MIKE SAMILIAM**, V.P. of **SPEEDLING INCORPORATED, A FLORIDA CORPORATION**, on behalf of such corporation.

Suzanne Musser
Notary Public's Signature

Notary Public State of Florida
Suzanne Musser
My Commission DD439218
Expires 06/17/2009

GF:3129264;NM\la

Exhibit "A"

County: HIDALGO
Highway: FM 907 (Alamo Road)
ROW CSJ: 1586-01-051
CCSJ: 1586-01-045

Parcel 4
Property Description

Being 1,250 square feet (0.03 acre) of land more or less, situated in Hidalgo County, Texas and also being a part or portion of a tract of land out of Lot Fourteen (14), Block Thirty Two (32), Alamo Land and Sugar Company's Subdivision as recorded in Volume 1, Pages 24-26, Hidalgo County Map Records and conveyed to **SPEEDLING INCORPORATED, A FLORIDA CORPORATION** in a document recorded in Document No. 316920, Dated April 20, 1993 of the Hidalgo County Official Records, and said 1,250 square feet (0.03 acre) also being more particularly described by metes and bounds as follows;

COMMENCING on an iron rod set on the northwest corner of said Speedling Incorporated, a 15.00 acre tract, THENCE as follows:

S 08° 34' 21" W, along the West line of said Speedling Incorporated Tract, a distance of 640.00 feet to the North right of way Line of Moore Road. Thence, continuing along the North right of way line of Moore Road, S 81° 25' 39" E, a distance of 940.00' feet to a ½" iron rod set for the southwest corner of this tract and the **POINT OF BEGINNING;**

(1) Thence, N 53°34'21" E, to the West right of way line of FM 907 (Alamo Road), a distance of 70.71 feet to a ½" iron rod set with an aluminum cap, for the northeast corner of this tract;

(2) Thence, S 08°34'21" W(S 08° 45' 00" W), in a southerly direction along the West right-of-way line of FM 907 (Alamo Road), a distance of 50.00 feet to a ½" rod set with an aluminum cap, for the southeast corner of this tract;

(3) Thence, N 81°25'39" W (N 81° 15' 00" W), along the north line of Moore Road a distance of 50.00 feet to the **POINT OF BEGINNING** and containing 1,250 square feet (0.03 acre) of land, more or less.

Note: The Point of Beginning of this description has coordinates of X = 1106758.4180 and Y = 16586204.7512; All bearings are based Texas State Plane Coordinate System, NAD 83 (1993 Adj.), South Zone 4205. All coordinates shown are surface and maybe converted to grid by dividing by TxDOT conversion factor of 1.0000400;

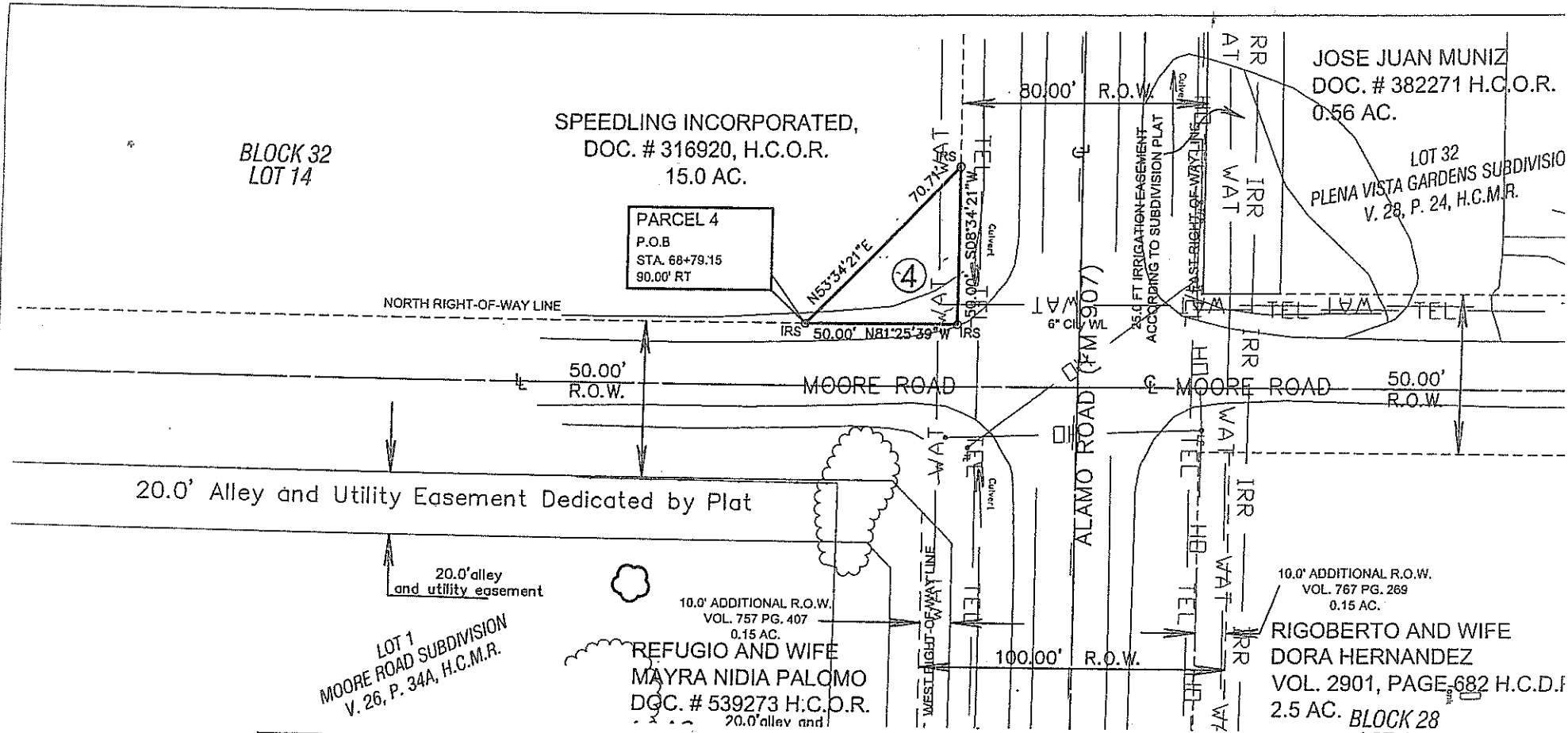
I, James Aranda, a Registered Professional Land surveyor, hereby certify that the legal description hereon and the accompanying plat of even date represent an actual survey made on the ground under my supervision.

James Aranda 9/19/06

James Aranda, R.P.L.S. Date
Texas Registration No. 4442

R.P.L.S. SEAL



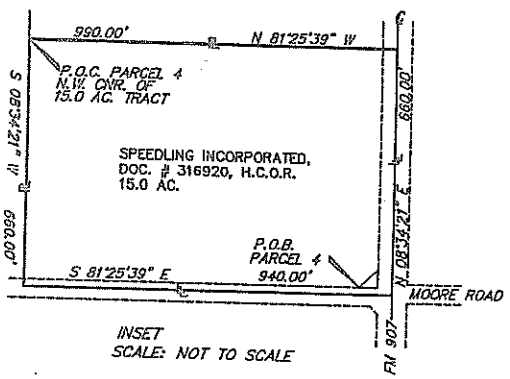


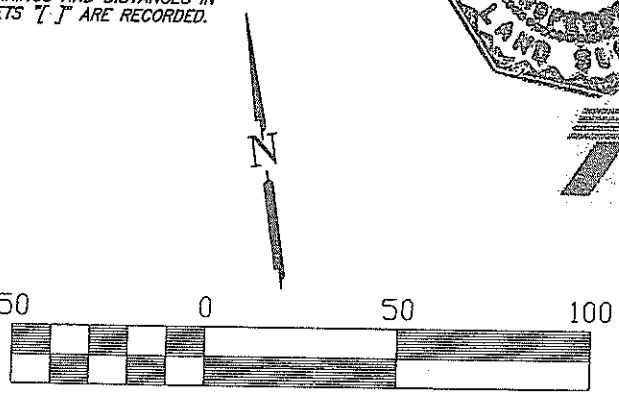
LEGEND:

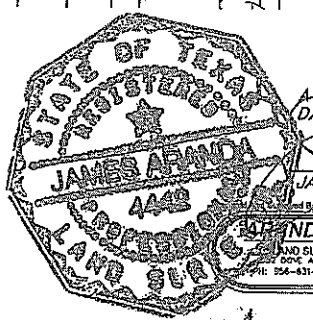
EXIST. ROW LINE		RIGHT OF WAY	R.O.W.
PROPERTY LINE		POINT OF BEGINNING	P.O.B.
LOT LINE		BEGINNING OF PROJECT	B.O.P.
FENCE LINE		END OF PROJECT	E.O.P.
COMMON OWNERSHIP LINE		5/8" REBAR SET	
EASEMENT LINE		W/ ALUMINUM DISK	IRS
PARCEL NUMBER	(25)	IRON PIPE FOUND	IP
EXISTING CENTERLINE		IRON ROD FOUND	IRF
PROPOSED CENTERLINE		X" CUT ON CONCRETE	X
CENTERLINE	C.L.		
COTTON PICKER SPINDLE SET	CPS		

NOTE:

1. ALL BEARING, DISTANCES AND COORDINATES ARE BASED ON THE TEXAS STATE PLANE COORDINATE SYSTEM, NAD 83, (1993 adjustment), TEXAS SOUTH ZONE 4205. COORDINATES AND DISTANCES ARE US SURVEY FEET ALL DISTANCES AND COORDINATES SHOWN ARE SURFACE AND MAY BE CONVERTED TO GRID BY MULTIPLYING BY A COMBINED SCALE FACTOR OF 0.99996000160.
2. ALL BEARINGS AND DISTANCES IN BRACKETS "[ ]" ARE RECORDED.







A LEGAL DESCRIPTION OF EVEN SURVEY DATE HEREWITH ACCOMPANIES THIS PLAT

JAMES ARANDA, R.P.L.S. DATE: 9/19/06

JAMES ARANDA AND ASSOCIATES, INC.
LAND SURVEYING AND AERIAL MAPPING COMPANY
[illegible] AVENUE, 78504/P.O. BOX 3608, 78591/MCALLEN, TEXAS
PH: 956-631-0344/FAX: 956-631-0592/E-MAIL: [illegible]

Texas Department of Transportatio

DISTRICT	PLAT OF SURVEY	COUNTY
PHARR	PARCEL 4	HIDALG
R.O.W. CSJ	PROJECT NAME	DATE OF SUR
1586-01-051	FM 907 (Alamo Road)	04/06-05/0
		REVISION DA

OMB No. 2502-0265

A. U.S. Department of Housing and Urban Development

Settlement Statement

B. Type of Loan

1. [ ] FHA 2. [ ] FMHA 3. [ ] Conv. Unins.
4. [ ] VA 5. [ ] Conv. Ins.

6. File Number	7. Loan Number
3129264	

8. Mortgage Ins. Case No.

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked ("POC") were paid outside the closing: they are shown here for information purposes and are not included in the totals.

D. Name of Borrower: STATE OF TEXAS, acting by and through the Hidalgo County Right A Way Department

E. Name of Seller: SPEEDLING INCORPORATED A FLORIDA CORPORATION, P.O. Box 7220, SUN CITY, FL 33586-7220

F. Name of Lender:

G. Property Location: Lot 14, Block 32, ALAMO LAND & SUGAR CO.

FM 907 ALAMO RD, ALAMO, TX 78516

H. Settlement Agent: Sierra Title of Hidalgo County, Inc. (956) 682-8321
Place of Settlement: 3401 N. 10TH Street, McAllen, TX 78501

I. Settlement Date: 9/16/2008 **Proration Date:** None

J. Summary of Borrower's Transaction		K. Summary of Seller's Transaction	
100. Gross amount due from borrower:		**400. Gross amount due to seller:**	
101. Contract sales price	6,000.00	401. Contract sales price	6,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	724.13	403.	
104.		404.	
105.		405.	
Adjustments for items paid by seller in advance:		Adjustments for items paid by seller in advance:	
106. City/town taxes		406. City/town taxes	
107. County taxes		407. County taxes	
108. Assessments		408. Assessments	
109. School Taxes		409. School Taxes	
110.		410.	
111. **********NO PRORATIONS*********		411. **********NO PRORATIONS*********	
112.		412.	
120. Gross amount due from borrower:	6,724.13	**420. Gross amount due to seller:**	6,000.00
200. Amounts paid by or in behalf of the borrower:		500. Reduction in amount due to seller:	
201. Deposit or earnest money		501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)		502. Settlement charges to seller (line 1400)	0.00
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first mortgage loan	
205.		505. Payoff of second mortgage loan	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
Adjustments for items unpaid by seller:		Adjustments for items unpaid by seller:	
210. City/town taxes		510. City/town taxes	
211. County taxes		511. County taxes	
212. Assessments		512. Assessments	
213. School Taxes		513. School Taxes	
214.		514.	
215.		515.	
216.		516.	
217. ********NO PRORATIONS**********		517. ********NO PRORATIONS**********	
218.		518.	
219.		519.	
220. Total paid by/for borrower:	0.00	**520. Total reduction in amount due seller:**	0.00
300. Cash at settlement from/to borrower:		600. Cash at settlement to/from seller:	
301. Gross amount due from borrower (line 120)	6,724.13	601. Gross amount due to seller (line 420)	6,000.00
302. Less amount paid by/for borrower (line 220)	0.00	602. Less total reduction in amount due seller(line 520)	0.00
303. CASH (X)FROM ()TO BORROWER	6,724.13	**603. CASH ()FROM (X)TO SELLER**	6,000.00

SUBSTITUTE FORM 1099 SELLER STATEMENT - The information contained in Blocks E, G, H and I and on line 401 (or, if line 401 is asterisked, lines 403 and 404), 406, 407 and 408-412 (applicable part of buyer's real estate tax reportable to the IRS) is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction will be imposed on you if this item is required to be reported and the IRS determines that it has not been reported.

SELLER INSTRUCTION - If this real estate was your principle residence, file form 2119, Sale or Exchange of Principal Residence, for any gain, with your income tax return; for other transactions, complete the applicable parts of form 4797, Form 6252 and/or Schedule D (Form 1040).

You are required by law to provide Sierra Title of Hidalgo County, Inc. (956) 682-8321 with your correct taxpayer identification number. If you do not provide Sierra Title of Hidalgo County, Inc. (956) 682-8321 with your correct taxpayer identification number, you may be subject to civil or criminal penalties.

SPEEDLING INCORPORATED A FLORIDA CORPORATION

700.	Total sales/broker commission		Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
	Division of commission (line 700) as follows:			
701.	$			
702.	$			
703.	Commission paid at settlement			
704.				
800.	Items payable in connection with loan			
801.	Loan origination fee			
802.	Loan discount			
803.	Appraisal fee			
804.	Credit report			
805.	Lender's inspection fee			
806.	Mortgage insurance application fee			
807.	Assumption fee			
808.				
809.				
810.				
811.				
812.				
813.				
814.	Yield Spread Premium			
900.	Items required by lender to be paid in advance			
901.	Interest from			
902.	Mortgage insurance premium for			
903.	Hazard insurance premium for			
904.				
905.				
1000.	Reserves deposited with lender			
1001.	Hazard insurance			
1002.	Mortgage insurance			
1003.	City property taxes			
1004.	County property taxes			
1005.	Annual assessments (maint.)			
1006.	School taxes			
1007.				
1008.				
1009.	Aggregate Adjustment			
1100.	Title charges			
1101.	Settlement or closing fee			
1102.	Abstract or title search			
1103.	Title examination			
1104.	Title insurance binder			
1105.	Document preparation WD	to The Law Office of John King	75.00	
1106.	Notary fees			
1107.	Attorney's fees to			
	includes above items no.:			
1108.	Title insurance	to Sierra Title of Hidalgo County, Inc.	229.00	
	includes above items no.:	229.00, 15% FIDELITY		
1109.	Lender's coverage			
1110.	Owner's coverage	$6,000.00 $229.00		
1111.	State of Texas Policy Guaranty Fe	to Guaranty Fee Transfer	5.00	
1112.	Escrow fee	to Sierra Title of Hidalgo County, Inc.	325.00	
1113.				
1114.				
1200.	Government recording and transfer charges			
1201.	Recording fees:	Deed $36.00	36.00	
1202.	City/county tax/stamps:			
1203.	State tax/stamps:			
1204.				
1205.	Tax Service Fee	to Tax Service of Hidalgo	54.13	
1206.				
1300.	Additional settlement charges			
1301.	Survey			
1302.	Pest inspection			
1303.				
1304.				
1305.	HOA Assocation			
1400.	Total settlement charges (entered on lines 103, section J and 502, section K)		724.13	0.00

and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of HUD-1 Settlement Statement.

STATE OF TEXAS, acting by and through the Hidalgo County Right A Way Departmei

SPEEDLING INCORPORATED A FLORIDA CORPORATION

To the best of my knowledge, the HUD-1 Settlement Statement which I have prepared is a true and accurate account of the funds which were received and have been or will be disbursed by the undersigned as part of the settlement of this transaction.

Sierra Title of Hidalgo County, Inc.

Date

SELLER'S AND/OR PURCHASER'S STATEMENT Seller's and Purchaser's signature hereon acknowledges his/their approval of tax prorations and signifies their understanding that prorations were based on taxes for the preceding year, or estimates for the current year, and in the event of any change for the current year, all necessary adjustments must be made between Seller and Purchaser; likewise any default in delinquent taxes will be reimbursed to Title Company by the Seller.

Title Company, in its capacity as Escrow Agent, is and has been authorized to deposit all funds it receives in this transaction in any financial institution, whether affiliated or not. Such financial institution may provide Title Company computer accounting and audit services directly or through a separate entity which, if affiliated with Title Company, may charge the financial institution reasonable and proper compensation therefore and retain any profits therefrom. Any escrow fees paid by any party involved in this transaction shall only be for checkwriting and input to the computers, but not for aforesaid accounting and audit services. Title Company shall not be liable for any interest or other charges on the earnest money and shall be under no duty to invest or reinvest funds held by it at any time. Sellers and Purchasers hereby acknowledge and consent to the deposit of the escrow money in financial institutions with which Title Company has or may have other banking relationships and further consent to the retention by Title Company and/or its affiliates of any and all benefits (including advantageous interest rates on loans) Title Company and/or its affiliates may receive from such financial institutions by reason of their maintenance of said escrow accounts.

The parties have read the above sentences, recognize that the recitations herein are material, agree to same, and recognize Title Company is relying on the same.

Purchasers/Borrowers

Sellers

STATE OF TEXAS, acting by and through the Hidalgo County Right A Way Departmei

SPEEDLING INCORPORATED A FLORIDA CORPORATION

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18: U.S. Code Section 1001 and Section 1010.

SELLER'S MAILING ADDRESS VERIFICATION FORM

THIS FORM MUST BE FILLED OUT COMPLETELY

GF#: 3129264

Seller Name(s): SPEEDLING INCORPORATED A FLORIDA CORPORATION

It is imperative that we have your correct mailing address for forwarding of all correspondence and/or any and all legal documentation and/or title policies.

Mailing Address: (Below, please list the exact address where mail must be sent, include Post Office Box Number, Apartment Number, Unit Number, etc.)

4300 Old U.S. Highway 41, South (for FEDEX/UPS)
Street Address (include Unit # or Apt. #)

P. O. Box 7220
P. O. Box

Sun City
City

FLORIDA 33586-7220
State

33586-7220
Zip Code

Phone Information

	Seller One	Seller Two
Home Number:	N/A	
Business Number:	813-645-3221	
Mobile Number:	813-220-6816	
Email Address:	msamilian@speedling.com	
Date of Birth:	09-06-1948	
Social Security #:	SEE D/L	
Drivers License #:	S545-540-48-326-0	

SPEEDLING INCORPORATED A FLORIDA CORPORATION
By: Mike Samilian, Vice President

9-18-2008
Date

Suzanne Musser

9-18-2008
Date

Notary Public State of Florida
Suzanne Musser
My Commission DD439218
Expires 06/17/2009

AFFIDAVIT AND INDEMNITY AS TO DEBTS, LIENS AND POSSESSION

(USE SEPARATE FORM FOR EACH PARTY)
TO BE FILLED IN PERSONALLY BY SELLER OR BORROWER IN HIS/HER OWN HANDWRITING

File Number: 3129264
SUBJECT PROPERTY:
See Exhbit "A" attached hereto and made a part hereof

STATE OF FLORIDA
COUNTY OF Hillsborough

Before me, the undersigned authority on this day personally appeared Mike Samilian, V.P. of SPEEDLING INCORPORATED A FLORIDA CORPORATION
Seller or Owner-Borrower* or Contractor (if new construction)

personally known to me to be the person whose name is subscribed hereto and upon his oath deposes and says that no proceedings in bankruptcy or receivership have been instituted by or against him and that the marital status of affiant has not changed since the day of acquisition of said property and represents to the purchaser and/or Lender in this transaction that there are:

1. No unpaid debts for plumbing fixtures, water heaters, floor furnaces, air conditioners, radio or television antennae, carpeting, rugs, lawn sprinkling systems, venetian blinds, window shades, draperies, electric appliances, fences, street paving, or any personal property or fixtures that are located on the subject property described above, and that no such items have been purchased on time payment contracts, and there are no security interests on such property secured by financing statement, security agreement or otherwise except the following: (If NONE, write "NONE" on blank line)

Creditor	Approximate Amount
NONE	

2. No loans or liens (including Federal or State Liens and Judgment Liens) and no unpaid governmental or association taxes or assessments of any kind on such property except the following: (If NONE, write "NONE" on blank line)

Creditor	Approximate Amount
NONE	

3. All labor and material used in the construction of improvements on the above described property have been paid for and there are now no unpaid labor or material claims against the improvements or the property upon which same are situated, and I hereby declare that all sums of money due for the erection of improvements have been fully paid and satisfied, except as follows: (If NONE, write "NONE" on blank line)
NONE
4. No parties are in possession other than affiant, except as follows: (If NONE, write "NONE" on blank line)
NONE
5. *To be filled in if a sale -*The Seller is not a non-resident alien, foreign corporation, foreign partnership, foreign trust, foreign estate or other foreign entity (as defined in the Internal Revenue Code and Income Tax Regulations). Seller's U.S. employer identification number (~~or social security number~~) is: 59-2324368. Seller's address (office address, if seller is an entity; home address if seller is an individual) is:
P.O. BOX 7220 - SUN CITY, FL 33586-7220

This affidavit may be disclosed to the Internal Revenue Service and is furnished to Buyer to inform Buyer that withholding of tax is not required under Section 1445 of the Internal Revenue Code.

INDEMNITY: I AGREE TO PAY ON DEMAND TO THE PURCHASERS AND/OR LENDER IN THIS TRANSACTION, THEIR SUCCESSORS AND ASSIGNS, ALL AMOUNTS SECURED BY ANY AND ALL LIENS NOT SHOWN ABOVE, TOGETHER WITH ALL COSTS, LOSS AND ATTORNEY'S FEES THAT SAID PARTIES MAY INCUR IN CONNECTION WITH SUCH UNMENTIONED LIENS, PROVIDED SAID LIENS EITHER CURRENTLY APPLY TO SUCH PROPERTY, OR A PART THEREOF, OR ARE SUBSEQUENTLY ESTABLISHED AGAINST SAID PROPERTY AND ARE CREATED BY ME, KNOWN BY ME, OR HAVE AN INCEPTION DATE PRIOR TO THE CONSUMMATION OF THIS TRANSACTION.

I realize that the purchaser and/or Lender in this transaction are relying on the representations contained herein in purchasing same or lending money thereon and would not purchase same or lend money thereon unless said representations were made. If Seller or Borrower is an entity, I have authority to sign on its behalf.

SPEEDLING INCORPORATED A FLORIDA CORPORATION

Mike Samilian

Mike Samilian, Vice President

Notary Public State of Florida
Suzanne Musser
My Commission DD439218
Expires 6/17/2009

Sworn to and subscribed before me this 18th day of September, 2008.

Suzanne Musser

Notary Public in and for the State of Florida

*Note: This form is to be filled in and signed by seller in case of sale. If no sale, it is to be filled in and signed by the owner-borrower. If there is any new construction, the contractor must also join in this form or fill in and sign a separate one.
*If seller is a non-resident alien, foreign corporation, etc., call your manager or Legal Department.

NOTE TO BUYER: Buyer must retain until end of fifth taxable year following taxable year of transfer and must file with the Internal Revenue Service if required by regulation or otherwise.

Revised 01/02

AI-11381 **17.A.**

Request Advertisement for an Excavator
CC REGULAR

Date: 09/30/2008
Submitted By: Yolanda Cisneros, COMM. PCT. #2
Submitted For: Yolanda Cisneros
Department: COMM. PCT. #2
Agenda Area: Precinct #2

Information

CAPTION

Request authority to advertise for a 4x4 Excavator with 60" clean-out bucket and fixed thumb grapple with specifications (including attachments and/or accessories) to be developed, drafted and approved with and by Precinct #2 staff.

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:**
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Request is for authority to advertise. Funding for this equipment is undetermined at this time.

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 01:44 PM	APRV
2	Martha Salazar	Marty Salazar	09/25/2008 03:14 PM	APRV
3	Dale Kennan	Dale Kennan	09/25/2008 05:21 PM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 03:35 PM	APRV
5	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Yolanda Cisneros Started On: 09/24/2008 04:03 PM

Final Approval Date: 09/26/2008

AI-11391 **17.B.**

General Interlocal Agreement with Valley View ISD
CC REGULAR

Date: 09/30/2008
Submitted By: Yolanda Cisneros, COMM. PCT. #2
Submitted For: Yolanda Cisneros
Department: COMM. PCT. #2
Agenda Area: Precinct #2

Information

CAPTION

Discussion and approval of Interlocal Cooperation Agreement between the Hidalgo County, Texas and The Valley View Independent School District of Texas for general purpose in multiple projects.

BACKGROUND

Fiscal Impact

Attachments

Link: my documents

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 03:09 PM	APRV
2	Dale Kennan	Dale Kennan	09/25/2008 05:23 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 03:56 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Yolanda Cisneros — Started On: 09/24/2008 04:46 PM

Final Approval Date: 09/26/2008

STATE OF TEXAS '
'
COUNTY OF HIDALGO '

INTERLOCAL COOPERATION AGREEMENT BETWEEN HIDALGO COUNTY AND THE VALLEY VIEW INDEPENDENT SCHOOL DISTRICT OF TEXAS

THIS Agreement is made on this the ___ day of _____, 2008 by and between **COUNTY OF HIDALGO, TEXAS**, hereinafter referred to as "County," and the **VALLEY VIEW INDEPENDENT SCHOOL DISTRICT OF TEXAS,** hereinafter referred to as "District", pursuant to the provisions of the Texas Interlocal Cooperation Act, as follows:

W I T N E S S E T H:

WHEREAS, Hidalgo County is a county created in the State of Texas;

WHEREAS, Valley View ISD is a public entity operating as an Independent School District located in Hidalgo County, Texas;

WHEREAS, District desires to assist County in multiple projects to be defined by mutual agreement in which both the District and the County would benefit from the outcome of the work (the "Work");

NOW, THEREFORE, District and County, in consideration of the mutual covenants expressed hereinafter, agree as follows:

1. County agrees to allow the District to use equipment and materials owned by County at the current prices to the District for such equipment and materials for the furtherance of the Work. County shall be solely responsible for determining the current rate for equipment and the District agrees to reimburse County for such costs within thirty (30) days of receipt of invoice from County.

2. County shall provide the District with man power at the current hourly rates for individuals required to complete the Work. Hourly rates shall include all benefits and other costs associated with the employment of each individual. County shall be solely responsible for determining the current rate of its employees and District agrees to reimburse County such costs within thirty (30) days of receipt of invoice from County.

3. The parties agree that all other costs associated with the Work shall be the responsibility of the District in their entirety.

4. **Term**. The term of this Agreement shall be fore one (1) year with the option to review for five (5) additional one year terms upon the same terms and conditions described herein except that all prices for manpower, equipment and materials are subject to change at any time and without notice to the other party.

5. Upon a change in price for manpower, equipment or materials, the County shall notify the District within ten (10) working days for any on-going Work and before beginning any new Work.

6. Either party may terminate this Agreement with or without cause upon thirty (30) days written notice to the other.

7. **Conflict with Applicable Law**. Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of their Agreement and any present or future law, ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the times such conflict exists.

8. **No Waiver**. No waiver by any party hereto of any breach of any provision of the Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

9. **Entire Agreement**. This Agreement contains the entire contract between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representation or agreement in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by the District and County and not otherwise.

10. **Texas Law to Apply**. This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligation of the parties created hereunder are performable in Hidalgo County, Texas. The parties hereby consent to personal jurisdiction in Hidalgo County, Texas.

11. **Notice**. Except as may be otherwise specifically provided in this Agreement, all notices, demands, requests or communication required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other

addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to District:	Valley View Independent School District Attention: Leonel Galaviz, Superintendent of Schools 9701 S. Jackson Road Pharr, Texas 78577
If to County:	Hidalgo County Attention: J.D. Salinas III, County Judge P.O. Box 758 Edinburg, Texas 78540-0758
With copy to:	Commissioner, Precinct Number 2 Hector "Tito" Palacios 301 East State Pharr, Texas 78577

Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the United States mail.

12. **Additional Documents**. The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

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

14. **Assignment**. This Agreement shall not be assignable.

15. **Headings**. The headings and captions contained in this Agreement are solely for convenience reference and shall not be deemed to affect the meaning or interpretation of any provision of paragraph hereof.

16. **Gender and Number**. All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and singular shall include the plural whenever and so often as may be appropriate.

17. **Authority to Execute**. The execution and performance of this Agreement by the District and the County have been duly authorized by all necessary laws, resolutions

or corporate action, and this Agreement constitutes the valid and enforceable obligations of District and County in accordance with its terms.

18. **Governmental Purpose**. Each party hereto is entering into this Agreement for the purpose of providing for governmental services or functions and will pay for such services out of current revenues available to the paying party as herein provided.

19. **Commitment of Current Revenues Only**. In the event that, during any term hereof, the governing body of any party does not appropriate sufficient funds to meet the obligations of such party under this Agreement, then any party may terminate this Agreement upon ninety (90) days written notice to the other party. Each of the parties hereto agrees, however, to use its best efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of each party hereto pursuant to the provisions of Tex. Loc. Govt. Code Ann. Section 271.903.

WITNESS THE HANDS OF THE PARTIES effective as of the day and year first written above.

VALLEY VIEW INDEPENDENT SCHOOL DISTRICT

By: _____
Lucio Villagomez, President, Board of Trustees

Attest:

_____

HIDALGO COUNTY

By: _____
J.D. Salinas, III, County Judge

Attest:

_____
By: Arturo Guajardo, Jr., County Clerk

APPROVED AS TO FORM:

ATLAS & HALL, L.L.P.

By: _____
Stephen L. Crain

AI-11415 **18.A.**

Anzalduas Boat Ramp Status Report
CC REGULAR

Date: 09/30/2008
Submitted By: Norma Ceballos, COMM. PCT. #3
Department: COMM. PCT. #3
Agenda Area: Precinct #3

Information

CAPTION

Presentation of status report on the Texas Parks and Wildlife for the Anzalduas Boat Ramp Reconstruction Project.

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:**

FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

No fiscal impact.

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 03:19 PM	APRV
2	Erika Reyna	Erika Reyna	09/25/2008 04:05 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 04:07 PM	APRV
4	Purchasing Department		09/26/2008 06:03 PM	NEW

Form Started By: Norma Ceballos — Started On: 09/25/2008 12:15 PM

Final Approval Date: 09/26/2008

AI-11412 **19.A.5.**

Renewal/Extension For Quality Claims Administration Services For Workers Compensation

CC REGULAR

Date: 09/30/2008
Submitted By: Vangie Garcia, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Hidalgo County

Information

CAPTION

Presentation for discussion, consideration and approval to utilize the option to renew/extend the first year of two (2)-one (1) year renewal/extension options as stated and reflected in the specifications and agreement for "Quality Claims Administration Services For Workers Compensation" with "TRISTAR RISK MANAGEMENT".

BACKGROUND

Current agreement expires on 12/31/08.

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-2202-419-50-115-066-0-350
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Available balance as of 9/25/2008 - $105,000.00

Attachments

Link: A-07-224-12-11 AGREEMENT
Link: EXHIBIT A REQUIREMENTS

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 02:55 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 03:16 PM	APRV
3	Damaris San Miguel	Damaris San Miguel	09/25/2008 03:30 PM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 04:05 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 04:38 PM	APRV

Form Started By: Vangie Garcia Started On: 09/25/2008 11:31 AM

Final Approval Date: 09/26/2008

CLAIMS SERVICE AGREEMENT
A-07-224-12-11

THIS CLAIMS SERVICE AGREEMENT ("Agreement") is made and entered into effective as of the 1st day of January 2008, by and between **TRISTAR Risk Management**, a California corporation, hereinafter referred to as "TRISTAR," and Hidalgo County, Texas, a political sub-division of the State of Texas, hereinafter referred to as "Client."

In consideration of the mutual covenants and promises of the parties, TRISTAR hereby agrees to furnish to Client, and Client hereby agrees to receive from TRISTAR, those certain claims handling services identified in this Agreement, all on the terms and conditions set forth herein:

ARTICLE 1 – TERM

1.1 The initial term of this Agreement shall commence on January 1, 2008, and shall remain in effect continuously until December 31, 2008, unless terminated in accordance with the provisions of Article 10 of this Agreement. In addition, the Parties may renew the Agreement on an annual basis for two (2) additional one (1) year terms. The Agreement shall renew automatically upon the expiration of the preceding one (1) year term unless one of the Parties gives the other Party written notice of its desire not to renew the Agreement for an additional one (1) year term at least ninety (90) days prior to the expiration of the current term.

ARTICLE 2 – DEFINITIONS

As used herein and in the performance of services by TRISTAR for Client, the following terms shall have the meanings described below:

2.1 Adjust or Adjustment: The process of handling and disposing of claims involving injury, death damage or loss, in accordance and consistent with generally accepted claims handling standards.

2.2 Administrative Agency: Any state federal or local governmental agency which supervises or regulates the handling of claims, including, but not limited to, industrial commissions, workers' compensation offices, bureaus, commissions, and state insurance departments and boards.

2.3 Allocated Loss Expenses:

A. Except as provided in Subsection 2.3B below, those expenses arising out of or connected with the handling and disposition of claims by TRISTAR including, but not limited to:

1. Fees of attorneys, selection and engagement of attorneys shall be approved by Hidalgo County Commissioners' Court (Client), for claims in suit and

for representation at hearings including TDI/DWC Board representative, pretrial conferences or subrogation;
Law Firms
Thornton, Biechlin, Segrato, Reynolds, & Guerra
Dean Pappas & Associates
Law Office of Ricky Green

2. Fees of court reporters;

3. Court costs, court fees and court expenses;

4. Costs of services of process;

5. Costs of undercover operative and detective services;

6. Costs of employing experts for the preparation of maps, professional photographs, and accounting, chemical or physical analysis;

7. Costs of employing experts for advice opinions, or testimony concerning claims under investigation or in litigation or for which a declaratory judgment is sought;

8. Costs of independent medical examinations and/or evaluations for rehabilitation and/or to determine the extent of Client's liability;

9. Costs of legal transcripts of testimony taken at coroner's inquests, criminal proceedings, or civil proceedings;

10. Costs of copies of public records and/or medical reports;

11. Costs of depositions and court-reported and/or recorded statements;

12. Costs of engineers, handwriting experts and/or any other type of expert used in the preparation of litigation and/or used on a one-time basis to resolve disputes;

13. Fees paid to witnesses and corresponding travel expenses;

14. Costs of photographs and photocopy services;

15. Costs of appraisals;

16. Vocational Rehabilitation, Medical Case Management and Utilization Review;

17. Medical Bill Review services; E-billing

18. Preferred Provider Organization fees or other similar cost containment network programs;

19. Electronic Index Bureau filing fees;

20. Interest paid as a result of litigation;

21. State-mandated electronic data interchange (EDI) costs.

B. "Allocated Loss Expenses" shall not include (i) any of the fees, costs, or expenses that are included in the claims service fees payable to TRISTAR by Client as agreed to herein or (ii) any payment of fees, costs, or expenses for actual medical or hospital treatment involving a claimant.

2.4 Authority Limit: That sum of money set forth in this Agreement for which TRISTAR shall have full and sole discretion and authority to adjust and make payments on behalf of Client.

2.5 Claim: A single exposure of liability involving actual or potential injury, death, loss or damage reported by Client to TRISTAR which might result in any payment being made on behalf of Client and for which TRISTAR establishes a claim file, with the following qualifiers:

A. Indemnity Claim: Each separate claim where a reserve is established in the indemnity category based on possible exposure, regardless of whether or not any indemnity payment is ultimately made.

B. Medical-Only Claim: Each separate claim where an indemnity reserve is never established, but a medical reserve is established based on possible exposure.

C. Incident Report: A claim where no reserve of any kind is established.

D. Claim Suffixes: The identifying suffix for individual claims arising out of an accident, event or occurrence, e.g., bodily injury, property damages.

E. Multiple Claim Suffixes: Those suffixes, used when separate types of claims arise out of the same occurrence or event.

2.6 Claim Adjustment File: Documentation of the claim adjustment process arising from any single incident involving one or more claimants and containing the relevant activity records, including written records of notices, investigations, evaluations, and payments.

2.7 Incident Date: The date of an event as reported by Client or as later revised by TRISTAR as the more appropriate date of occurrence.

2.8 Report Date of Claim: The date when TRISTAR first establishes the Claim Adjustment File.

2.9 Reserve: The monetary evaluation by TRISTAR of the estimated financial exposure of Client with respect to a claim.

2.10 Services: Those services described in Article 3 of this Agreement and Exhibit A hereto (which Exhibit is incorporated herein by reference) that are furnished by TRISTAR to Client in accordance with the terms of this Agreement, the applicable insurance policy, or in compliance with the laws of any state having jurisdiction over the claim.

2.11 Third Party: Any person, firm, partnership, corporation or other legal entity except TRISTAR, TRISTAR's employees, Client, Client's employees, or any other person claiming or eligible to claim workers' compensation benefits from Client or insurers of Client.

ARTICLE 3 – REPORTING OF CLAIMS; SERVICES PROVIDED

3.1 Reporting by Client: Client agrees that during the term of this Agreement Client will report all claims, including all incident reports, to TRISTAR. Client further agrees that it shall not administer any new claims or forward or assign notice of new claims to any claims administrator or person other than TRISTAR. TRISTAR shall have the right to review the books and records of Client for the purpose of verifying the total number and types of claims of Client. Any such review and verification shall be conducted by TRISTAR personnel.

3.2 Claims Adjustment Services: TRISTAR shall provide to and on behalf of Client the following claims adjustment services:

A. Review Client's claims and loss reports for losses occurring during the term of this Agreement;

B. Establish an incident or suspense file for any circumstance or event where no injury or property damage has been reported or is being claimed (or where it is anticipated that no injury or property damage will be reported or claimed);

C. Establish and reserve a file for each claim and code such claim in accordance with TRISTAR's standard statistical data requirements;

D. Conduct an investigation of each claim and document the claim file in accordance with the standards that have been agreed upon and are attached to this Agreement as Exhibit A to this Agreement. The claim file will be available for review by Client on a reasonable basis;

E. Perform all administrative and clerical work in connection with qualified claims, including the preparation of checks drawn on the loss fund established pursuant to this Agreement;

F. Respond immediately to any inquiry, complaint or request received from an Administrative Agency, Client, the Claimant, a broker or agent, or other interested party.

G. Process each claim in accordance with rules, regulations, and laws of the State of Texas.

H. Monitor the treatment programs recommended for Claimants by physicians, specialists and other health care providers, by reviewing reports prepared by such providers and by performing investigative activities as may be appropriate.

I. Utilize cost containment methods available to Client, by referring bills to computerized bill review, and by employing medical case management specialists. Payment by Client for these services is in addition to payment of claims service fees to TRISTAR.

J. Adjust, resist, and/or settle claims in accordance with authority levels granted by Client to TRISTAR in Exhibit A to this Agreement.

K. Pay all claims and Allocated Loss Expenses in accordance with the authority granted by Client and applicable statutes or regulations.

L. Maintain finalized claim files in accordance with Exhibit A to this Agreement. Process each claim in accordance with the terms, conditions, and requirements of the applicable excess loss policy of insurance.

3.3 Claims Fund: TRISTAR shall make payment of claims and Allocated Loss Expenses from a claims payment account funded by Client (as provided for in Article 5 of this Agreement).

3.4 Requirements of Administrative Agencies: TRISTAR shall file, on a timely basis on behalf of Client, such forms and reports as may be required by any Administrative Agency.

3.5 1099 Filings: TRISTAR shall collect, process, and report data in the manner prescribed by the Internal Revenue Service for the purpose of preparing Client's 1099 Miscellaneous Income filing with respect to the claims payments which are the subject of this Agreement.

ARTICLE 4 – PAYMENT OF CLAIMS; DISCRECTIONARY AUTHORITY

4.1 Claims Payments: TRISTAR shall have the authority to make payments on any claim handled by TRISTAR pursuant to this Agreement.

4.2 Allocated Loss Expenses: TRISTAR shall have the authority to pay, on behalf of Client, any claims- related services falling within the definition of Allocated Loss Expenses.

4.3 Authority Limit: TRISTAR shall make no single payment in excess of its authority limit indicated in Exhibit A to this Agreement, without the approval of Client.

4.4 Discretion: TRISTAR shall have the full and sole discretion to finally adjust or settle any claim in an amount equal to or less than the authority limit indicated in Exhibit A to this Agreement without supervision or direction from Client, and such adjustment or settlement shall be binding upon Client.

4.5 Reservation of Rights: TRISTAR reserves the right, on any particular claim, to disregard the authority granted in this Article 4 and treat said claim as requiring Client's approval prior to final disposition. Client reserves the right, on any particular claim, and upon written notice to TRISTAR, to revoke the authority granted in this Article 4 and treat such claim as requiring Client's approval prior to final disposition.

ARTICLE 5 – CLAIMS FUND

5.1 Draft Authority and Issuance: To facilitate the payment of claims and Allocated Loss Expenses, the parties agree to the use of a claims fund account (the "Account") established on behalf of the Client. TRISTAR shall have the authority to draw upon the Account solely for the payment of Client's claims. The Client, upon written notice, can revoke such authority at any time. TRISTAR agrees to manage and conserve the claims fund on behalf of the Client. Any Gross Receipt Tax or Sales Tax imposed by governmental entities, in those states where levied, shall be in addition to the claims service fees. Client will not be responsible for any banking charge. However, TRISTAR may use the interest on the funds to offset any applicable banking charges, to the extent it has insured that banking institution has complied with Articles 5.3 and 5.4.

5.2 Funding the Account: Client agrees to make funds available at all times for the prompt payment of claims. The Client, will fund the Account, to an amount equal to two (2) months estimated paid losses based on an average of the last three months actual paid losses. The current calculated amount for two (2) months' average is $325,000.00. The Client will maintain the claims fund at a level of $325,000.00 for the first quarter of 2008. The Client will re-calculate this amount on a quarterly basis. Thereafter, the Client will replenish the claims fund on a monthly basis to the pre-determined amount. To that end, TRISTAR shall provide to Client a monthly check register identifying all loss payments and allocated expense payments and will provide a quarterly analysis, as may be needed, to assist the Client in budgeting funding needs. Notwithstanding these provisions, Client also agrees to immediately prefund separately any special or large payments that may be due and wherein proper support for it is provided by TRISTAR.

5.3 Pledge of Securities: Except to the extent payment of demand deposit balances are guaranteed by the Federal Deposit Insurance Corporation, all County demand deposits will be secured and guaranteed by a pledge to County of marketable securities of the type, nature and quality (i) authorized and allowed by, and within the time period required by, V.T.C.A., Local Government Code, Chapters 116 and 117, as may be amended from time to time, (ii) approved in advance by the County Judge, and (iii) allowed by County's Investment Policy (hereinafter referred to as "Securities"). The Securities shall be deposited with the correspondent Bank. At any given time, all Securities pledged shall have a total market value determined by the County to be at least equal to 110% of the uninsured aggregate demand deposit balance.

5.4 Bank shall provide County monthly, a list of the Securities pledged against the demand deposit accounts and the market value of the Securities based on the relevant market.

If Bank shall desire to sell or otherwise dispose of any one or more of said securities so kept in safekeeping, it may substitute for any one or more of such securities other securities of the same market value and of the character authorized herein with the County's approval.

Said securities pledged shall be held by the correspondent Bank until the termination of the Agreement, and until Bank's successor has been duly and legally appointed and qualified, or until this Agreement has been removed and extended by mutual consent between Bank and the County, but in no event later than fifteen (15) days after the deposits have been removed, whereupon, if Bank has complied in full with, and is not in default under, the Agreement, the correspondent Bank shall deliver to bank all pledged securities.

5.5 TRISTAR shall establish and maintain a sufficient audit trail so as to allow, the auditor appointed by Client to audit the claims fund account at all times.

TRISTAR agrees to return any excess funds to Client and to return the balance of the claims fund account to Client when there are no longer any claims payments to be made from the fund.

ARTICLE 6 – PROPRIETARY INTEREST

6.1 Ownership of Systems: All systems created or utilized by TRISTAR in the performance of activities under this Agreement shall belong to, and shall remain the property of, TRISTAR, and Client shall have no ownership interest therein. The term "systems" as used herein shall include, but shall not be limited to, computer programs, computer equipment, formats, risk data report formats, procedures, documentation and internal reports of TRISTAR, but such term shall not include claims adjustment files.

6.2 Ownership of Files: TRISTAR shall be entitled to full and complete possession of all files and materials prepared by TRISTAR in the course of investigating or administering any claim under this Agreement, until this Agreement is canceled and all outstanding

sums due to TRISTAR are paid by Client. After termination of this Agreement and the payment of all fees due to TRISTAR, Client shall be entitled to return of Client's files after TRISTAR has made a copy of such files.

6.3 Protection of Data: TRISTAR shall make reasonable efforts to ensure the availability of the computer loss data and the operation of the computer hardware. In the event of damage to or malfunction of the computer hardware, TRISTAR will use reasonable efforts to obtain replacement alternative computer hardware to restore service to an acceptable level in a timely manner. In the event that computer loss data is not available for use by the computer system utilized by TRISTAR, TRISTAR will attempt to reconstruct or recover such unavailable data from computer data files stored at remote locations and from source records, in order to restore service to an acceptable level in a timely manner.

6.4 Privacy of Data: TRISTAR will make reasonable efforts to maintain the confidentiality of the data supplied to and used by TRISTAR in the performance of this Agreement. TRISTAR will not disclose such data or the contents of the corresponding data files without the consent of Client. Notwithstanding the foregoing, Client agrees that TRISTAR shall have the right to use such data for the purpose of preparing and disseminating analytical reports inclusive of the cumulative data of TRISTAR clients, provided such use in no way specifically identifies Client, or its operations or expenses.

ARTICLE 7 – INDEPENDENT CONTRACTOR; AGENCY; SUBCONTRACTING

7.1 TRISTAR shall at all times be an independent contractor with respect to Client, and employees of TRISTAR shall in no event be considered employees of Client. Except as expressly provided for in this Agreement, no agency relationship between TRISTAR and Client shall exist as a result of the execution of this Agreement or the performance by TRISTAR hereunder. TRISTAR reserves the right to assign performance of activities under this Agreement to any of its personnel and TRISTAR further reserves the right, at TRISTAR's own expense, to subcontract to third parties part or all of TRISTAR's duties under this Agreement

ARTICLE 8 – INDEMNIFICATION

8.1 Indemnification by TRISTAR: TRISTAR agrees to indemnify Client for all damages which Client may become liable to pay as a result of any court judgment to the extent that such judgment of liability for payment of damages results from or is based on any negligent or willful act or omission of TRISTAR or any agent, servant, employee, representative, director, officer, shareholder, owner, successor, or assign of TRISTAR, and arising out of or incidental to the performance of any operation, activity, or obligation by TRISTAR under this Agreement. TRISTAR further agrees to indemnify Client for any and all reasonable and necessary costs, expenses, and legal fees incurred by Client in defending any lawsuit, claim, or cause of action that results in a judgment for damages for which TRISTAR has agreed to indemnify Client.

8.2 Indemnification by Client: Client agrees to the extend allowed by law to indemnify TRISTAR for all damages which TRISTAR may become liable to pay as a result of any court judgment to the extent that such judgment of liability for payment of damages results from or is based on any negligent or willful act or omission of Client or any agent, servant, employee, representative, or trustee of Client, and arising out of or incidental to the performance of any operation, activity, or obligation by Client under this Agreement. Client further agrees to the extend allowed by law indemnify TRISTAR for any and all reasonable and necessary costs, expenses, and legal fees incurred by TRISTAR in defending any lawsuit, claim, or cause of action that results in a judgment for damages for which Client has agreed to indemnify TRISTAR. TRISTAR acknowledges that Client's obligation to indemnify TRISTAR for any damages under this Agreement is limited to the maximum amount of damages for which Client may be liable under the Texas Tort Claims Act, or any other applicable law, statute, or regulation.

8.3 Insurance Coverage: TRISTAR agrees to maintain General Liability, Automobile Liability, Workers' Compensation, Fidelity Bond and Professional Liability Coverage. TRISTAR shall submit certificates evidencing proof of said insurance to Client upon written request.

ARTICLE 9 – COMPENSATION

9.1 Exhibit A: Except as otherwise provided in this Agreement, Client shall compensate TRISTAR in accordance with the terms of Exhibit A to this Agreement.

9.2 Separate Claims Fund: The compensation payable to TRISTAR under this Article 9 shall in no way include or affect the separate payment obligations of Client as respects the claims fund described in Article 5 of this Agreement or the direct payment for other services rendered by TRISTAR.

9.3 Payment Terms: Client shall pay TRISTAR an annual service fee of One Hundred Eighty Thousand Dollars ($180,000). Client shall pay this annual fee in 12 monthly installments of Fifthteen Thousand Dollars ($15,000) each. Payment will be made upon receipt of a monthly invoice with an initial payment due within thirty (30) days of contract inception, and monthly thereafter.

9.4 Billing Disputes: Client shall have thirty (30) days from its receipt of any billing to dispute any bill, or portion of a bill, submitted by TRISTAR. Should Client fail to dispute a billing within the prescribed period of time, the billing shall be deemed correct.

ARTICLE 10 – TERMINATION

10.1 Notice Required: In the event of a breach of this Agreement by one of the parties hereto, the other party may terminate this Agreement by providing the breaching party with at least sixty (60) days prior written notice.

10.2 Effect of Termination: In the event this Agreement is terminated under Section 10.1, then any and all claims and unresolved recovery activities pending on the date of termination shall, at Client's option, either:

A. Continue to be handled by TRISTAR until the expiration of the period in which Client has paid the claims service fees, and thereafter on a time-and-expense basis at TRISTAR's prevailing hourly rate and expense method of billing when time and expenses are incurred, or

B. Thereafter be assumed and handled by Client or delegated by Client to some third party, provided, however, that TRISTAR shall be entitled to all fees earned or incurred prior to the effective date of termination without offset or reduction, and one hundred percent (100%) of the administrative fee will be fully earned.

Client shall inform TRISTAR in writing, prior to the termination date of the contract, of the selected option. Should Client fail to inform TRISTAR or should agreement not be reached between TRISTAR and Client for the continued handling of the open claims, then TRISTAR, on the termination date, shall suspend all activity on Client's files, and TRISTAR thereafter shall have no responsibility for the disposition of such matters.

10.3 Termination by TRISTAR: In addition to all other rights and remedies available to TRISTAR under this Agreement and at law, TRISTAR may cancel this Agreement and discontinue claims adjustment services immediately upon notice to Client if:

A. Client fails to maintain sufficient balances in the Account to properly and adequately fund daily maintenance and indemnity needs, as well as settlement of claims and Allocated Loss Expenses; Client acknowledges and agrees that at no time shall TRISTAR be liable or obligated to make any payments of any type or character on behalf of Client out of TRISTAR's own funds;

B. Client dissolves, liquidates a substantial part or all of its business, or is the subject of a voluntary or involuntary bankruptcy proceeding or other reorganization;

C. Client threatens insolvency or has a receiver or trustee appointed on its behalf; or

D. Client is acquired by merger with any other entity, unless this Agreement is assumed in writing by the other entity and such assumption is agreed to by TRISTAR.

ARTICLE 11 – CONDITIONS AND LIMITATIONS

11.1 No Financial Responsibility: TRISTAR does not act as an insurer for Client, and this Agreement shall not be continued as an insurance policy or any contract or agreement of indemnity, it being specifically understood that TRISTAR is in no event financially responsible for payment of satisfaction of claims, lawsuits, or cause of action against Client. The establishment by TRISTAR of any claims account to pay claims pursuant to

Article 5 of this Agreement shall not be considered an undertaking by TRISTAR to be financially responsible for payments of funds into any such account.

11.2 Cooperation by Client: TRISTAR's responsibility for the performance of activities as specified in Article 3 of this Agreement and Exhibit A to this Agreement is conditioned upon Client's cooperation with TRISTAR in all reasonable matters with respect to the activities of TRISTAR including, but not limited to, (i) responding to TRISTAR's requests for information promptly, (ii) meeting with TRISTAR and third parties as may be necessary or appropriate, (iii) making decisions on matters which, as required by this Agreement or, in the professional opinion of TRISTAR, should be made by Client, (iv) paying funds into the claims fund established pursuant to Article 5 of this Agreement, as required by the terms of such Article, and (v) performing all of Client's other obligations pursuant to this Agreement.

11.3 No Practice of Law: The services to be provided by TRISTAR are not of a legal nature, and TRISTAR shall in no event give, or be required to give, any legal opinion or provide any legal representation to Client, nor may any communication prepared by TRISTAR be relied upon by Client as a legal opinion or interpretation. TRISTAR shall in no event be considered as engaged in the practice of law. TRISTAR may, but is under no duty to, recommend counsel to Client. At all times, Client has full and sole discretion to select legal representation and counsel of its own choosing, and any selection of such representation by counsel shall be by separate agreement between Client and such counsel.

11.4 Hiring of Employees: Client agrees that during the term of, and for a period of two (2) years after the termination of this Agreement, it will not, without prior written consent of TRISTAR, hire any employee of TRISTAR or its affiliate who was assigned to, or performed, any service for Client in connection with this Agreement.

11.5 Limitation on Reports: With respect to the services provided by TRISTAR under this Agreement, any reports rendered to Client may be relied upon only to the extent of the express purpose of such reports, as such purpose may be from time to time set forth in writing by TRISTAR.

11.6 Activities Covered: This Agreement applies only to the activities expressly referred to herein and shall not include any other relationship TRISTAR may have with Client involving insured or self-insurance programs.

11.7 Review and Verification of TRISTAR Records: Client shall have the right to review the records of TRISTAR to verify the matters covered by this Agreement. Any such review and verification shall be conducted in a manner so as not to unnecessarily interfere with the business of TRISTAR. Cost of attendance by TRISTAR at meetings at which such reviews are conducted, upon request by Client, is not included in the claims service fees payable by Client to TRISTAR.

11.8 Direct Claims Handling: Client has the right to take over the handling of any claim and to direct the handling of any claim at any time during the term of this Agreement and the

life of the claim. Client also retains the right to take over the handling of all claims at its discretion, provided, however, that there shall be no reduction in the claims service fees payable by Client to TRISTAR and no reduction in the Allocated Loss Expenses incurred by TRISTAR with respect to such claims.

11.9 Assignment: Neither this Agreement nor any rights hereunder shall be assigned by either party without the prior written consent of the other party first having been obtained.

11.10 Non-Solicitation: Client shall not offer employment to any TRISTAR employee, and Client agrees not to employ any TRISTAR employee for a period of at least twelve (12) months following termination of such individual's employment with TRISTAR. Any violation of this clause shall result in immediate payment of one and one-half times the annual salary of the employee or employees involved by Client to TRISTAR, such payment to be due and payable within ten (10) days of discovery of such breach of this Agreement.

11.11 Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. An adjudication by a court of competent jurisdiction that invalidates one part of this Agreement shall not invalidate any other part hereof.

11.12 Order of Precedence: In the event of any conflict or ambiguity between the terms and provisions of this Agreement and any exhibit attached hereto, the terms and provisions of the exhibit shall govern.

11.13 Entire Agreement; Amendment; Inurement; Counterparts: This Agreement constitutes the entire understanding and agreement between the parties hereto, and supercedes all prior and contemporaneous agreements or understanding, written or oral, of the parties hereto. This Agreement may be amended only in writing executed by both parties. No waiver of one or more provisions of this Agreement shall constitute waiver of any other provision hereof. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original.

11.14 No Waiver: Nothing in this Agreement shall be construed to mean that either party has waived any rights to seek a legal or equitable remedy for a breach of this Agreement by the other party.

11.15 Notice: Notices to be given pursuant to this Agreement shall be in writing, and shall be deemed to have been duly given (i) when personally delivered or (ii) if mailed, by United States First Class mail, postage prepaid, five (5) days after deposit in the mail. Notices shall be delivered or mailed to the following addresses:

If to Client:

Hidalgo County Purchasing Department
New Administration Building

2812 S, Highway 281
Edingburg, TX 78539
Attention: Martha Salazar

If to TRISTAR:

TRISTAR Risk Management
100 Oceangate, Suite 700
Long Beach, CA 90802
Attention: Thomas J. Veale

IN WITNESS WHEREOF, the parties have executed this Claims Service Agreement effective as of the day and year first above written.

TRISTAR Risk Management

By: _____
Thomas J. Veale
President

Hidalgo County

By: _____ Date: _____
Juan D, Salinas III
County Judge

ATTEST

By: Arturo Guajardo Jr. DBL Date: 01-15-08

Arturo Guajardo Jr.
Count Clerk

APPROVED by Commissioners Court on 12-11-07

Approved by Atlas & Hall LLP.:

By: _____ Date: 12-21-2007
Stephen L. Crain

EXHIBIT A

This exhibit is part of that certain Claims Service Agreement, effective January 1, 2008, between TRISTAR Risk Management, hereinafter referred to as "TRISTAR," and Hidalgo County, hereinafter referred to as "Client," and is applicable to service period as otherwise agreed to.

SERVICES:	
Claims Administration	**Flat Annual Claims Administration Fee**
Workers Compensation	$180,000.00 per year. The annual Administration Fee will provide for services under this Claim Service Agreement for the term of the Agreement or any renewal period as per Article 1.
Field Services/Investigation On-site	$ 375 per assignment
Medical Case Management	$60.00 per hour.
Utilization Review	At costs
Medical Bill Audits	At costs
Networks	25% of Savings Out of network PPO 12% of Savings In network PPO
Vocational Case Management	$65.00 per hour.
Non-Legal Personnel attending DWC Hearings	$ 375 per BRC
Attorney Services	At costs
Run-Off Costs	Tail claims shall be handled for the life of this Agreement
RMIS System and Services – Annual Administration Fee	Included
On-line computer Services	Included
Subrogation for Workers' Compensation	Included

Discretionary Settlement Authority

The above pricing contemplates TRISTAR being granted a discretionary settlement authority level of Five Thousand Dollars ($5000), pursuant to Article II, Section 2.4 of the Agreement.

Material Changes

Client agrees to review with TRISTAR, and adjust as appropriate, the fee charges shown above if, within the contract period, changes in Client's business take place which materially change the scope of service contemplated at contract inception.

Client also agrees to review with TRISTAR, and adjust as appropriate the fee charges shown above if, within the contract period, governmental laws or regulations go into effect which materially increase the work required on the part of TRISTAR which was not contemplated at contract inception.

Adjuster Reports

The pricing above contemplates no required adjuster reporting within the discretionary authority levels granted to TRISTAR. The pricing also contemplates that Client shall be on line with TRISTAR's computer system and will glean required information from the adjuster's electronic notes to the file. Any special reporting requirements of Client will be handled on a time-and-expense basis at TRISTAR's then prevailing time-and- expense method of billing.

Claims Reporting/Loss Runs

TRISTAR will store Client's reported claims data electronically to consist of claim file date, payment record date, and adjuster's notes for as long as open claims exist in the contracted year of service and Client renews with TRISTAR for the current contract year. Should Client not renew with TRISTAR, only open claims that TRISTAR is required to handle shall remain in electronic storage. Any other storage, reload of data, or special requests to be handled on an agreed-price basis.

TRISTAR will provide Client with software to allow Client to interface with TRISTAR's computer system using Client's personal computer and modem, with Client bearing all telephone charges. Interface will allow Client to view claims payment records and adjuster notes.

TRISTAR will provide Client a report showing the states of each claim assigned, the total reserved amount, the total payments made, and the unspent reserves on each claim. In addition, TRISTAR will furnish a single set of loss analysis reports at no additional cost, along with a checks-issued register. The information will be furnished either on diskette or printed copy as per agreement with Client. TRISTAR shall make all normal efforts and take reasonable measures to forward such report to Client by the 25th date of the following month.

Any additional data manipulation requests or analysis reports requested by Client will be furnished in accordance with TRISTAR's ability to produce the report in a reasonable time period at an additional charge in accordance with TRISTAR's published report schedules or if special programming is required, on an agreed-cost basis in advance of preparation and delivery of the report.

TRISTAR Risk Management

By: _____
Thomas J. Veale
President

Hidalgo County

By: _____
Juan D. Salinas
County Judge

Arturo Guajardo Jr. DSK
Arturo Guajardo, Jr.
Hidalgo County Clerk

EXHIBIT A
REQUIREMENTS

HIDALGO COUNTY
REQUEST FOR PROPOSALS/QUALIFICATIONS

"Quality Claims Administration Services For Workers' Compensation"

OVERVIEW:
Hidalgo County is requesting "Proposals with Qualifications" from qualified "Quality Claims Administration Firm(s)" for "Workers'Compensation." Hidalgo County is seeking to enter into a "Quality Claims Administration Services Contract(s) with a state-registered "Quality Claims Administration Firm(s)." Hidalgo County Purchasing Department will receive sealed envelopes for the provision of **"Quality Claims Administration Services For Workers'Compensation"- Request for Proposals/Qualifications** as specified herein. Statements of qualifications will be accepted until **9:30 A.M., Wednesday, November 14, 2007**. **ANY RFP/Q RECEIVED AFTER THAT DATE AND TIME WILL NOT BE ACCEPTED AND WILL BE RETURNED UNOPENED.**

Deliver Submittal to:

RFP/Q NO: 2007-224-11-14-VYG
Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Administration Building
2812 S. Hwy. 281
Hidalgo County New Administration Building
Edinburg, Texas 78539

The Submittal Envelope Must Show the RFP/Q Number, Name and Acceptance Date.

The following outlines the Request For Proposals/Qualifications:

SECTION I- GENERAL TERMS AND CONDITIONS

ADDITIONAL INFORMATION:
Hidalgo County is requesting that statements of qualifications be routed to Martha L. Salazar, CPPB, Purchasing Agent, at 2812 S. Hwy. 281, Hidalgo County New Administration Building, Edinburg, Texas 78539. **WRITTEN QUESTIONS WILL BE ACCEPTED VIA FACSIMILE BY NO LATER THAN** Wednesday, November 7, 2007 at 5:00 P.M. at (956) 292-7612. Responses will be sent to all applicants via facsimile by Friday, November 9, 2007. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

PROPOSER'S AFFIDAVIT:
Respondents to this RFP/Q must submit a signed Proposer's Affidavit (attached herein in Exhibit "D") certifying that the submission is (1) not the result of Collusion as described in the Proposer's Affidavit; (2) that the Respondent does not have a Conflict of Interest as described in the Proposer's Affidavit; or that the Respondent has not and will not attempt to lobby directly or indirectly as described in the Proposer's Affidavit.

DISCLOSURE OF CONFLICT OF INTEREST:
Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor, person, consultant or contractor considering doing business with Hidalgo County ("the County") to disclose in the Conflict of Interest Questionnaire (the CIQ") attached as **Exhibit D,** vendor, person, consultant or contractor's affiliation or business relationship that might cause a conflict of interest with the County. By law, the CIQ must be filed with the Hidalgo County Clerk's Office no later than the seventh business day after the date the person becomes aware of facts that require that statement to be filed. The disclosure requirement applies to a person or business who contracts or seeks to contract with Hidalgo County for the sale or purchase of property, goods or service. Any purchase order or contract resulting from this process shall be considered null and void if the

successful participant fails to comply with Texas Local Government Code Chapter 176. Vendors, consultants, contractors and others who desire to conduct business with Hidalgo County are encouraged to refer to Texas Local Government Code Chapter 176 for the details of this law. An offense under Texas Local Government Code Chapter 176 is a Class C Misdemeanor.

Please Submit completed CIQ forms to the Hidalgo County Clerk's Office located at 100 N. Closner, Edinburg, Texas 78539-Hidalgo County Courthouse. **COMPLETION AND SUBMISSION OF FORM CIQ IS THE SOLE RESPONSIBILITY OF THE PROPESECTIVE BIDDER.**

NON-DISCRIMINATION:
Submitters, during the performance of this contract, will not discriminate against any employee or applicant for employment because of race, religion, sex, national origin or disability except where religion, sex, national origin or disability is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor.

PROCESSING TIME FOR PAYMENT:
Submitters are advised that a minimum of thirty (30) days is required to process invoices for payment.

ELECTRONIC TRANSMISSION OF BIDS:
Hidalgo County's Purchasing Department will not accept telegraphic or electronically transmitted submissions.

PROOF OF FINANCIAL AND BUSINESS CAPABILITY:
Submitters must, upon request, furnish satisfactory evidence of their ability to furnish products or services in accordance with the terms and conditions of these requirements. Hidalgo County will make the final determination as to the submitter's ability.

SUBMITTER DEFAULT:
Hidalgo County reserves the right, in case of submitter default, to procure the articles or services from other sources and hold the defaulting submitter responsible for any excess costs occasioned thereby.

RESTRICTIVE OR AMBIGUOUS REQUIREMENTS:
It is the responsibility of the submitter to review the Request for Proposals/Qualifications (RFP/Q) packet and to notify the Purchasing Department if the requirements are formulated in a manner that would unnecessarily restrict competition. Any such protest or question regarding the requirements or bidding procedures must be received in the Purchasing Department not less than seventy-two hours prior to the time set for the opening. These criteria also apply to requirements that are ambiguous.

RFP/Q DELIVERY:
Hidalgo County requires submitters, when hand delivering qualifications, to have a Purchasing Department representative time/date stamp and initial the envelope when dropping RFP/Q off.

SIGNING OF QUALIFICATIONS:
In order to be considered all submittals **must** be signed. **Please sign the original in blue ink.**

WAIVING OF INFORMALITIES:
Hidalgo County reserves the right to waive minor informalities or technicalities when it is in the best interest of Hidalgo County.

SUBCONTRACTING:
The successful submitter may not subcontract the award without the written consent of the Commissioners' Court of Hidalgo County.

CONTRACT TERM:

a) **Initial Term:** Effective date is from **January 1, 2008 to January 1, 2009**;
b) **Renewals & Extensions:** It shall be at the County's sole discretion to renew and extend for an additional two (2), one (1) year renewals/extensions are to be provided to Hidalgo County for consideration by no later than, **October 1, 2008** for the first renewal/extension and no later than **October 9, 2009** for the second renewal/extension.

DAVIS BACON ACT:
All selected and awarded firms are required to include the Davis-Bacon Act when advertising and developing specifications. (if applicable)

SECTION II-RFP/Q -REQUIREMENTS

REQUEST FOR PROPOSALS/QUALIFICATIONS:
The required contents and limitations for the preparation of the RFP/Q are described in this section. Failure to provide the requested information or adhere to any County limitations will result in disqualification of the submitted RFP/Q. A total of **one (1) original and ten (10) copies** of the RFP/Q shall be submitted to the address on the cover letter.

CONTENTS:
The required contents for the RFP/Q are presented below in the order they should be incorporated into the submitted document.

UNDERSTANDING OF THE PROJECT:
This section should demonstrate the submitter's understanding of the project needs, the work required, and any local issues or concerns. This description should be concise, candid, and limited to 3 pages in length.

FIRM QUALIFICATIONS:

- Hidalgo County is soliciting to contract with a qualified firms(s) to perform professional quality claims administration for Hidalgo County's Self-Funded Workers' Compensation Program. Please refer to, and fill out, RFP/Q Form, Attachment "A" (Pages 8-13) for qualifications information.

SCOPE OF SERVICES-CLAIMS ADMINISTRATION AND SUPPORT SERVICES:

A. Each Proposer must provide the following proposal:
   - Hidalgo County, all entities

B. Each Proposer must supply a list of all potential servicing personnel with a current resume of each adjuster who would handle or would in any way be involved in the handling of County claims. Any additional personnel to be involved in County claims handling at a later date must have resume submitted for prior consultation with the County, with any subsequent proposal for personnel to follow guidelines as provided herein. Resumes should include a summary of education, experience, licenses, and languages spoken/written, see Attachment A.

As part of proposal price, Hidalgo County requires the ability to view case notes and create unlimited custom reports on-line via TPA website. Training should be included in costs. However, each Proposal shall include samples of the types of statistical data and loss reports to be provided monthly, to including, but not limited to:

a.) A monthly summary of the workers' compensation checking account (check register), listing all checks, vouchers, voided checks, in numerical sequence, stating date issued, claim number, claimant name, payee, amount, type of benefit paid, and benefit period. This report must be presented to Risk Management no later than the 5th day of each month.

b.) Bi-weekly Replenishment Report for funding of the Workers Compensation payment fund.

c.) Loss runs available by any date selection, sorted by several fields (i.e., name, date, type of injury, body part, etc.)

d.) Proposer will prepare and submit IRS Form 1099 for all vendors and mail the forms to vendors. Proposer will prepare and submit Form 1099 data in a magnetic tape format no later than January 15th of each year to County.

e.) Proposer will be available for claims reporting on a 24-hour basis.

f.) Any duplicate payments or overpayments made due to Proposer's oversight or negligence shall be the responsibility of the Proposer; Proproser will reimburse County for same, within 30 days. In addition, Proposer will provide County an overpayment report by type, reason, payee and by fiscal year on a quarterly and annual basis.

g.) Proposer will provide a captioned report to the Risk Management when reserves on any claim reach 50% of County's retention, and Proposer will notify appropriate insurance carriers.

h.) Proposer will cooperate with any medical cost containment, case management, risk management, investigations, law firm or any other organization designated by County.

1. Proposer will meet with the County's Risk Management and Legal Department as follows:
    - Monthly to review the status and or handling of up to 25 claims selected by the County.
    - Quarterly to review all open claims and any other matters a the discretion of the County.
2. Proposer will respond to any request by the County within 24 hours from time a request is made.
3. The agreement will include an indemnify provision to protect the County against errors or omissions committed by the TPA. The provision should also specify that the Proposer agrees to hold the County harmless and to indemnify the County for all arising out of any claims alleging an error or omission with respect to the services performed by the Proposer.
4. The selected Proposer will be subject to periodic claims audits by internal County Staff and/or independent firm at the discretion of the County.
5. Provide description of the on-line computer claims service and attach a sample copy of an on-line illustration or exhibit through printouts of the applicable screens County personnel would see.

i.) County **requires** Proposer to have a local office (within 40 miles of County Administration Building, Edinburg, Texas), to administer all County claims under this contract. Proposer shall provide address of office location with Proposal submission.

PERSONNEL AND STAFFING:
The firm should provide an organizational chart for the project and a summary paragraph of the project work to be performed by each proposed staff member. Biographic summaries that highlight the experience relevant to the specific project responsibilities should be provided for all proposed personnel. There is a one (1) page limitation for each biographic summary provided.

REQUIRED CERTIFICATIONS AND SUBMITTAL:
This section will contain any licenses and certifications as required by the State of Texas, Hidalgo County. All qualified quality claims administrators are required to furnish a certification or acknowledgment stating that the quality claims administrator(s) is/are free from suspension or debarment pursuant to federal regulation 45CRF76. Certification form is included in this packet and must be completed and submitted as part of the response on the RFP/Q. The quality claims administrator(s) should add copies of its/their Professional Liability Insurance as well as all other applicable insurances as required by Hidalgo County and as detailed in Exhibit "C" contained herein.

PROPOSERS ARE TO PROVIDE A FEE SCHEDULE WITH THIS SUBMITTAL:
Proposer is to provide a fee proposal based on the scope of work/services.

NUMBER OF COPIES TO BE SUBMITTED:
Hidalgo County requires one (1) original submittal and ten (10) copies.

PART III-SELECTION AND SCHEDULES

SELECTION/EVALUATION PROCESS:
Hidalgo County will conduct a comprehensive evaluation of all Proposal/Qualification's received in response to this RFP/Q. Hidalgo County will establish a Scoring/Grading Committee comprised of staff members to perform such evaluation. Each RFP/Q received will be analyzed to determine overall responsiveness and qualifications under the RFP/Q; further, the Scoring/Grading Committee and/or Commissioners' Court may select proposing organizations for "in person" presentation, including proposed adjuster(s). Criteria to be evaluated, not necessarily in order of priority, may include the items listed below. Final approval of a selected Proposer is subject to the action of County Commissioners Court.

A.) Economic evaluation of the Proposed Fee Schedule; rates to be submitted during negotiation's phase. **20 Points**

B.) Responsiveness to the Request For Proposal/Qualifications **20 Points**
1. Requested information included and thoroughness of response.
2. Understanding and acceptance of the scope of services.
3. Acceptance of the RFP/Q and Contract Requirements.
4. Clarity and conciseness of the response.

C.) Proposer's capability to provide the services requested and information contained in Attachment "A". **60 Points**

1. Background of Proposer and support personnel, including professional qualifications.
2. Relevant experience of the Proposer.
3. Specific experience with public entity clients.
4. Other resources, including the total number of employees, number and location of offices.
5. References and experience in the Texas Public Sector.

Hidalgo County may accept, within the time specified herein, any RFP/Q in whole for in part, whether or not there are negotiations subsequent to it's receipt. If subsequent negotiations are conducted, they shall not constitute a rejection or alternate RFP/Q on the part of Hidalgo County.

The Contract will be awarded to the respondent whose Proposal will b most advantageous to County, s determined by the evaluation factor's listed herein and by the recommendation of the Scoring/Grading Committee with approval of Hidalgo County Commissioners' Court.

NEGOTIATION PROCESS:
The number one ranked firm will be contacted to submit a draft contract for negotiation. If negotiations prove unsuccessful, the next highest ranked company will be contacted. The Count of Hidalgo reserves the right to reject any and all RFP/Q's.

TERMINATION OF SERVICES:
Any contract awarded to a successful submitter will be in effect until (a) the contract expires, (b) delivery and acceptance of the performance of services ordered, or (c) terminated by County with thirty day's written notice prior to cancellation.

RFP/Q SUBMITTED TO: An original and ten (10) copies of RFP/Q's should be submitted to:

Martha L. Salazar, Purchasing Agent
Hidalgo County Purchasing Department
2812 S. Hwy. 281
Hidalgo County New Administration Building
Edinburg, Texas 78539

RFP/Qs must be submitted by **no later than 9:30 a.m. on Wednesday, November 14, 2007.**

ADDITIONAL SPECIFICATIONS/REQUIREMENTS

Hidalgo County, Texas

REQUEST FOR PROPOSALS/QUALIFICATIONS FOR QUALITY CLAIMS ADMINISTRATION SERVICES FOR WORKERS' COMPENSATION

I. INTRODUCTION:

Hidalgo County (hereinafter referred to as "County") is Requesting For Proposals/Qualifications (RFP/Q) from organizations (firms) (hereinafter referred to as "Proposers") qualified to perform professional claims adminsitraton services for Hidalgo County's Self-Funded Workers' Compensation Program. The scope of the work will encompass all aspects of County operations and requires extensive knowledge and experience with workers' compensation coverage. The information provided in the Request For Proposal/Qualifications (RFP/Q) in the areas of "Quality Claims Administration Services".

II. GENERAL BACKGROUND:

Hidalgo County is seeking a new contract for its "Quality Claims Adminsitration Services For its Workers' Compensation Program. COUNTY's designated representative during the RFP/Q process shall be COUNTY's Purchasing Agent, Martha L. Salazar, Hidalgo County Purchasing Department, Edinburg, Texas.

The COUNTY's fiscal year is from January 1, 2008 to December 31, 2008.

III. CONTRACT TERM:

a) **Initial Term:** Effective date is from **January 1, 2008 to January 1, 2009**;

b) **Renewals & Extensions:** It shall be at the County's sole discretion to renew and extend for an additional two (2), one (1) year renewals/extensions at the same rates and under the same terms and conditions. Two (2), one year renewal/extensions are to be provided to Hidalgo County for consideration by no later than, **October 1, 2008** for the first renewal/extension and no later than **October 1, 2009** for the second renewal/extension.

IV. FIRM QUALIFICATIONS:

Hidalgo County is seeking to contract with a qualified firm(s) to perform professional claims administration for Hidalgo County's Self-Funded Workers' Compensation Program. Please refer to, and fill out, RFP/Q Form, Attachment "A" (Pages 8-13) for qualifications information.

V. SCOPE OF SERVICES-CLAIMS ADMINISTRATION AND SUPPORT SERVICES:

A. Each FIRMmust provide the following proposal:

- Hidalgo County, all entities

B. Each FIRM must supply a list of all potential servicing personnel with a current resume of each adjuster who would handle or would in any way be involved in the handling of County claims. Any additional personnel to be involved in County claims handling at a later date must have resume submitted for prior consultation with the County, with any subsequent proposal for personnel to

follow guidelines as provided herein. Resumes should include a summary of education, experience, licenses, and languages spoken/written, see Attachment A.

C. As part of proposal price, Hidalgo County requires the ability to view case notes and create unlimited custom reports on-line via TPA website. Training should be included in costs. However, each Proposal shall include samples of the types of statistical data and loss reports to be provided monthly, to including, but not limited to:

1.) A monthly summary of the workers'compensation checking account (check register), listing all checks, vouchers, voided checks, in numerical sequence, stating date issued, claim number, claimant name, payee, amount, type of benefit paid, and benefit period. This report must be presented to Risk Management no later than the 5th day of each month.

2.) Bi-weekly Replenishment Report for funding of the Workers Compensation payment fund.

3.) Loss runs available by any date selection, sorted by several fields (i.e., name, date, type of injury, body part, etc.)

D.) FIRM will prepare and submit IRS Form 1099 for all vendors and mail the forms to vendors. FIRM will prepare and submit Form 1099 data in a magnetic tape format no later than January 15th of each year to County.

E.) FIRM will be available for claims reporting on a 24-hour basis.

F.) Any duplicate payments or overpayments made due to FIRM's oversight or negligence shall be the responsibility of the FIRM; FIRM will reimburse County for same, within 30 days. In addition, FIRM will provide County an overpayment report by type, reason, payee and by fiscal year on a quarterly and annual basis.

G.) FIRM will provide a captioned report to the Risk Management when reserves on any claim reach 50% of County's retention, and FIRM will notify appropriate insurance carriers.

H.) FIRM will cooperate with any medical cost containment, case management, risk management, investigations, law firm or any other organization designated by County.

1. FIRM will meet with the County's Risk Management and Legal Department as follows:
   - Monthly to review the status and or handling of up to 25 claims selected by the County.
   - Quarterly to review all open claims and any other matters a the discretion of the County.
2. FIRM will respond to any request by the County within 24 hours from time a request is made.
3. The agreement will include an indemnify provision to protect the County against errors or omissions committed by the FIRM. The provision should

also specify that the FIRM agrees to hold the County harmless and to indemnify the County for all arising out of any claims alleging an error or omission with respect to the services performed by the FIRM.

4. The selected FIRM will be subject to periodic claims audits by internal County Staff and/or independent firm at the discretion of the County.
5. Provide description of the on-line computer claims service and attach a sample copy of an on-line illustration or exhibit through printouts of the applicable screens County personnel would see.

I.) County **requires** FIRM to have a local office (within 40 miles of County Administration Building, Edinburg, Texas), to administer all County claims under this contract. FIRM shall provide address of office location with RFP/Q submission.

VI. RFP/Q PROPOSALS:

The FIRM'S completed RFP/Q pages in Attachment "A" of this RFP/Q are the main source of evaluation. Alon with the RFP/Q pages, RFP/Qs should include a description of additional claims and support servies and/or risk management services that FIRM offers and wants to propose in a written presenation form. All FIRM(S) are encouraged to include any other information that they feel will enhance their opportunities to be awarded a Contract.

An RFP/Q from a FIRM for Claims Administration Services should include the following:

A. The location of FIRM'S local office(s) and hours staffed, number of professional staff members, attorneys, claims adjusters, etc. (Refer to FEE SCHEDULE Notes). Provide the names of principal owners, partners or officers.

B. HIDALGO COUNTY would like RFP/Qs to indicate who is primarlily resonsible for the management and supervison of the HIDALGO COUNTY account. This indivisual should be at least an account manager level (whose duites are primarily the supervision of claims files). The account manager and the names of any adjusters and/or examiners assigned to the handling of HIDALGO COUNTY files should also be included with an indicaiton of length of service and area of expertise.

C. Advise as tot he average and maximum number of files claims adjusters and/or examining personnel must handle at the local office assigned to handle HIDALGO COUNTY'S claims.

D. Advise as to whether or not the designated claims personnel on HIDALGO COUNTY''S ccount will also be involved in on-site investigation and other outside claims adjusting functions. If so, provide some detail as to when and who would perfrom these outside functions and the time frame expected.

E. Advise how frequently your diary system allows claims supevisory personnel to review open claims.

F. Descsribe if you have a formal program for managing lawsuits and litigation expense.

G. Advise if you use a formal claims procedure and performance munaul and, if so, provide a sample.

H. Advise if you use a stanedard forms other than state forms used in FIRM claim process, and if so, please provide copies.

I. The attached FEE SCHEDULE shall abe utilized, during the negotiation process, to provide a fixed cost per claim as well as a flat rate cost for Worker's Compensation, identifying separate rates for report only, medical only and indemnity. Questions found below the Fee Schedule table must be answered.

J. Specify whether or not fees will include your firm performing all of the necessary and required State filings.

K. Indicate the type sof allocated claims expenses which are not included in yur per claim cost.

L. Claim Payment Funding Procedure: FIRM prints checks on checks from SCH account and all recors for IRS filings are to be maintained and issued by FIRM on table income.

M. Include a list of from five (5) to seven (7) local and Texas public entity references. Along with our references, include a list that is representative of your clients. References will be contacted as part of the evaluation process.

VII. PROPOSALS:

The Firm's completed RFP/Q pages in Attachment "A" of this RFP/Q are the main source of evaluation for the RFP/Q. Request For Proposals/Qualifications should include a description of additional claims and support services and/or risk management services that Firm offers and wants to propose in a written presentation form. All Firms are encouraged to include any other information that they feel will enhance their opportunities to be awarded a Contract.

The RFP/Q for Claims Administration should include the following:

A. The location of your offices and hours staffed, number of professional staff members, attorneys, claims adjusters, etc. Provide the names of principal owners, partners or officers.

B. COUNTY would like RFP/Q to indicate who is primarily responsible for the management and supervision of COUNTY account. This individual should be at least an account manager level (whose duties are primarily the supervision of claim files). The account manager and the names of any adjusters and/or examiners assigned to the handling of COUNTY files should also be included with an indication of length of service and area of expertise.

C. Advise as to the average and maximum number of files claims adjusters and/or examining personnel must handle at the office assigned to handle COUNTY's claims.

D. Advise as to whether or not the designated claims personnel on COUNTY's account will also be involved in on-site investigation and other outside claims adjusting functions. If so, provide some detail as to when and who would perform these outside functions and the time frame expected.

E. Advise how frequently your diary system allows claims supervisory personnel to review open claims.

F. Describe if you have a formal program for managing lawsuits and litigation expense.

G. Do you use a formal claims procedure and performance manual and, if so, provide a sample.

H. Do you use standard forms other than state forms used in Firm's claim process? (if so, you may be asked to provide copies.)

I. Provide a fixed cost per claim as well as a flat rate cost for:

- Workers' Compensation (identify separate rates for report only, medical only and indemnity)

- Provide a not-to-exceed maximum annual fee for any and all workers' compensation and liability claims. COUNTY will entertain splitting workers comp. Vendor should separate pricing accordingly.

J. Specify whether or not fees include your firm performing all of the necessary and required State filings.

K. ***"Indicate the* types of *allocated claims expenses which are not included in your per claim cost."***

L. Claim Payment Funding Procedure: Firm prints Checks on checks from an ACH account and all records for IRS filings are to be maintained and issued by Firm on taxable income.

M. Include a list of local and Texas public entity references. Along with your references, include a list that is representative of your clients. References will be contacted as part of the evaluation process.

VIII. PREPARATION OF RFP/Q:

A. FIRM is expected to examine this Request For Proposal/Qualifications carefully, understand the terms and conditions for providing the pertient services, and respond completely. Failure to respond completely may result in disqualification.

B. Failure to respond to all portions of this RFP/Q may result in the FIRM'S response being deemed non-responsive. If HIDALGO COUNTY deems an RFP/Q non-responsive, it will be disqualified. An officer or principal of the FIRM must sign RFP/Qs, however, an agent may sign RFP/Qs if the signature is accompanied by written evidence of authority.

C. All RFP/Qs shold include the FIRM'S federal tax nubmer (Refer to W-9 Form provided).

IX. SELECTION PROCESS:

COUNTY will conduct a comprehensive evaluation of all Proposals/Qualfications received in response to this RFP/Q. COUNTY will establish a Selection Committee comprised of staff members to perform such evaluation. Each Proposal received will be analyzed to determine overall responsiveness and qualifications under the RFP/Q; further, the Selection Committee may select proposing organizations for "in person" presentation.

Criteria to be evaluated, not necessarily in order of priority, may include the items listed below. Final approval of a selected Firm is subject to the action of County's Commissioners Court.

A. Economic evaluation of the Proposed Fee Schedule; Rates to be submitted during negotiations's phase. **(20 Points)**

B. Responsiveness to the Request for Proposal/Qualfications **(20 Points)**

1. Requested information included and thoroughness of response.
2. Understanding and acceptance of the scope of services.
3. Acceptance of the RFP/Q and Contract requirements.
4. Clarity and conciseness of the response.

C. Firm's capability to provide the services requested and information contained in Attachment "A". **(60 Points)**

1. Background of Firm and support personnel, including professional qualifications.
2. Relevant experience of the Firm.
3. Specific experience with public entity clients.
4. Other resources, including the total number of employees, number and location of offices.
5. References and experience in the Texas public sector.

COUNTY may accept, within the time specified herein, any Proposal/Qualfications in whole or in part, whether or not there are negotiations subsequent to its receipt. If subsequent negotiations are conducted, they shall not constitute a rejection or alternate RFP/Q on the part of COUNTY.

The Contract will be awarded to the respondent whose Proposal/Qualifications will be most advantageous to COUNTY, as determined by the evaluation factor's listed herein and by the recommendation of the Selection Committee with approval of the County Commissioners Court.

X. TERMS AND CONDITIONS-QUESTIONS FROM FIRMS:

Hidalgo County believes that the data contained in this RFP/Q document is sufficient for preparations of responses. The information is believed to be accurate and is bsed upon the lates available information but is to be considered in any way as a warranty. Request for additional information should be directed in writing to:

Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
2812 S. Hwy. 281
Hidalgo County New Administration Building
Edinburg, Texas 78539
956-318-2626 – Phone) 956-292-7612 – Fax)

SUBMISSION OF RFP/Q'S

One (1) original and ten typed and bound copies of the Proposal/Qualifications shall be enclosed in a sealed envelope with the notation "Quality Claims Administration Services For Workers' Compensation" clearly marked on the envelope. **All Proposals/Qualifications are due in the Purchasing at Hidalgo County no later than 9:30 AM CST on Wednesday, November 14,**

2007. Any Proposal/Qualifications received at the location below after that time shall not be considered.

Please mail or deliver your RFP/Q to:

Physical Address
Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
2812 S. Hwy. 281
Hidalgo County New Administration Building
Edinburg, TX 78539
(956) 318-2626

All provisions in Firm's Proposal/Qualfications, including any estimated or projected costs, shall remain valid for ninety (90) days following the deadline date for submissions or if an RFP/Q is selected, throughout the entire term of the Contract.

All RFP/Qs become property of COUNTY upon receipt and will not be returned. RFP/Qs submitted will clearly identify trade secrets or information deemed confidential by the Firm by typing the word **"CONFIDENTIAL"** in bold fourteen (14) point font on the bottom margin and indicate what information is protected. However, all PROPOSERs are hereby notified that any RFP/Qs submitted to COUNTY may be subject to disclosure, either in whole or part, under the Texas Public Information Act.

INDEPENDENT CONTRACTOR:
It is expressly understood and agreed that Firm and all persons designated by it to provide services in connection with this RFP/Q, is and shall be deemed to be an independent contractor, responsible for its respective acts or omissions, and that COUNTY shall in no way be responsible for any acts or omissions by the Firm. Neither party hereto has authority neither to bind the other nor to hold out to third party that it has the authority to bind the other.

XI. INSURANCE & INDEMNITY PROVISIONS:

A. Prior to the commencement of any work under this CONTRACT, Firm shall furnish an original completed certificate(s) of insurance to the COUNTY, which shall be completed by an agent authorized to bind the named underwriter(s) and their company to the coverage, limits, and termination provisions shown thereon, and which shall furnish and contain all required information referenced or indicated thereon.

B. The COUNTY reserves the right to review the insurance requirements of this section during the effective period of this CONTRACT and any extension or renewal hereof and to modify insurance coverage and their limits when deemed necessary and prudent by the COUNTY's DEPARTMENT OF BUDGET & MANAGEMENT based upon changes in statutory law, court decisions, or circumstances surrounding this Contract, but in no instance will the COUNTY allow modification whereupon the COUNTY may incur increased risk.

C. The COUNTY shall be entitled, upon request and without expense, to receive copies of the policies and all endorsements thereto as they apply to the limits required by the

COUNTY, and may make a reason-able request for deletion, revision, or modification of particular policy terms, conditions, limitations or exclusions (except where policy provisions are established by law or regulation binding upon either of the parties hereto or the underwriter of any such policies). Upon such request by the COUNTY, the CONTRACTOR shall exercise reasonable efforts to accomplish such changes in policy coverage, and shall pay the cost thereof.

D. Firm agrees that with respect to the above required insurance, all insurance contracts and certificate(s) of insurance will contain the following required provisions.

- Name the COUNTY and its directors, officers, employees, agents and elected officials as additional insureds with respects to the operations and activities of, or on behalf of, the named insured performed under contract with the COUNTY, with the exception of the workers' compensation/employers' liability and the professional liability policies.

- The Firm's insurance shall be deemed primary with respect to any insurance or self-insurance carried by the COUNTY for liability arising out of operations under the contract with the COUNTY.

- Provide for an endorsement that the "other insurance" clause shall not apply to the COUNTY where the COUNTY is an additional insured on the policy.

- Workers' Compensation/Employers' liability policy will provide a waiver of Subrogation in favor of the COUNTY.

E. Firm shall notify the COUNTY in the event of any notice of cancellation, nonrenewal or material change in coverage and shall give such notices not less than ten (10) days prior to the change, or ten (10) days for nonpayment of premium, which notice must be accompanied by a replacement Certificate of Insurance. All notices shall be given to the COUNTY, by Certified mail, at the following address:

Hidalgo County Department Of Budget & Management
Attention: Flora Vazquez
2802 S. Hwy. 281
Hidalgo County New Administration Building
Edinburg, Texas 78539

F. **FIRM covenants and agrees to FULLY INDEMNIFY and HOLD HARMLESS, the COUNTY and** its **elected officials, employees, officers, directors, and representatives, individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the COUNTY directly or indirectly arising out of, resulting from or related to FIRM's activities under this CONTRACT, including any acts or omissions of FIRM, any agent, officer, director, representative, employee, consultant or subcontractor of FIRM, and their respective officers, agents, employees, directors and representatives while in the exercise of performance of**

the rights or duties under this CONTRACT. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of COUNTY, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. IN THE EVENT FIRM AND COUNTY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE COUNTY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

G. The provisions of this INDEMNIFICATION are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity.

H. Firm shall promptly advise the COUNTY, in writing of any claim or demand against the COUNTY or Firm known to Firm related to or arising out of FIRM'S activities under this CONTRACT.

XII. SCHEDULE OF EVENTS

RFP/Q Mailouts	**Monday, October 22, 2007**
RFP/Qs Due	**Wednesday, November 14, 2007- 9:30 a.m.**
Contract Award	**Possible Award On:**
Start Date	**January 1, 2008**

XIII. RESERVATION OF RIGHTS

COUNTY reserves the right to:

- Reject any and all RFP/Q's received.
- Issue a subsequent RFP/Q's.
- Cancel the entire RFP/Q's.
- Remedy technical errors in the RFP/Q's process.
- Negotiate with any, all or none of the respondents to the RFP/Q's.
- Accept the written RFP/Q's as an offer.
- Waive informalities and irregularities.
- Accept one or more RFP/Q.

This RFP/Q does not commit COUNTY to enter into a Contract, nor does it obligate it to pay any costs incurred in preparation and submission of the RFP/Q or in anticipation of a Contract.

WRITTEN QUESTIONS WILL BE **ACCEPTED** NO LATER THAN **Wednesday, November 7, 2007 at 5:00 p.m.**. Res-ponses will be sent to all respondents via facsimile **by Friday, November 7, 2007. TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

All questions must be transmitted via facsimile to:

Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Fax No.: 956-292-7612

ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID PK TRIST-1

DATE (MM/DD/YYYY) 12/10/07

PRODUCER
Arthur J. Gallagher & Co.
Ins Brokers of CA Inc. 0726293
505 N.Brand Blvd, Suite 600
Glendale CA 91203-3944
Phone: 818-539-2300 Fax: 818-539-2301

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
Tristar Insurance Group, Inc.
100 Oceangate Avenue #700
Long Beach CA 90802

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A:	Federal Insurance	20281
INSURER B:	Hartford Insurance Company	
INSURER C:	American Home Assurance Co.	19380
INSURER D:	A I S L I C	26883
INSURER E:	Travelers Casualty & Surety Co	

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 LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	X	GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE [X] OCCUR X Incl. contractual liability GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC	35848060	05/01/07	05/01/08	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 1,000,000 $ 10,000 $ 1,000,000 $ 2,000,000 $
B		AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS	72UECTQ5461	05/01/07	05/01/08	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
		GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EA ACC AGG	$ $ $
C		EXCESS/UMBRELLA LIABILITY X OCCUR CLAIMS MADE DEDUCTIBLE X RETENTION $ 10,000	BE0848143	05/01/07	05/01/08	EACH OCCURRENCE AGGREGATE	$ 5,000,000 $ 5,000,000 $ $ $
C		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	WC3423882 (AOS)	01/01/07	01/01/08	X WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1000000 $ 1000000 $ 1000000
D		OTHER Errors & Omissions	9664847	01/31/07	01/31/08	E&O Limit	$10,000,000
E		Crime	104864721	01/01/07	01/01/08	E&O DED	$150,000

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

*Except 10 days notice for non-payment of premium.
Certificate Holder, County of Hidalgo, is included as Additional Insured under General Liability, as their interest may appear, regarding the operations of the Named Insured, per attached form 80-02-2002(4-01).

CERTIFICATE HOLDER

CNTYHID

County of Hidalgo
Purchasing Dept.
Attn: Vangie Garcia
2812 S. Highway 281
Edingburg TX 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

© ACORD CORPORATION 1988

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

10. **A. Presentation for discussion, consideration, and action in connection with the sole response received for RFP NO: 2007-445-12-05-Excess Worker's Compensation Insurance Project for the purposes of ranking as "qualified" and meeting requirements for the purposes of proceeding forward with the proposal process.**

    On motion of Commissioner Garza, seconded by Commissioner Palacios, the Court made a UNANIMOUS vote of approval.

    B. Requesting authority for Purchasing Department to enter into negotiations with qualified proposer including any best and final offers in order to finalize a contract for consideration and award.

    On motion of Commissioner Palacios, seconded by Commissioner Garza, the Court made a UNANIMOUS vote of approval.

11. **A. Presentation for discussion, consideration, and action to accept final negotiations, award REP and approve final contract (subject to legal review) with TriStar Risk Management (number one ranked firm- approved by CC on 12/05/07) for RFP NO: 2007-224-11-14-VYG-Quality Claims Administrator Services for Worker's Compensation Project; or, in the alternative;**

    On motion of Commissioner Garza, seconded by Commissioner Palacios, the Court made a UNANIMOUS vote of approval.

    B. Requesting and recommending to cease negotiations with the number one ranked firm, TriStar Risk Managment and commence negotiations with the number two ranked vendor for Quality Claims Administration Services for Worker's Compensation Project.

    NO ACTION taken on this item.

12. **Presentation for discussion, consideration and approval of draft specifications for scope of service and requirements for the Support & Maintenance of County Phone System. RFP-2007-444-LRM**

    On motion of Commissioner Palacios, seconded by Commissioner Garza, the Court made a UNANIMOUS vote of approval.

13. **A. Requesting exception from "Order" approved designating 10-12-07 as deadline for major purchases for the 93rd. State District Court to acquire flooring and office furniture (chairs) for juror room with assurances by 93rd. & vendors that all requested goods and/or services will be received and installed prior to 12-31-07**

    On motion of Commissioner Palacios, seconded by Commissioner Garza, the Court made a UNANIMOUS vote of approval.

EXHIBIT A
REQUIREMENTS

HIDALGO COUNTY
REQUEST FOR PROPOSALS/QUALIFICATIONS

"Quality Claims Administration Services For Workers' Compensation"

OVERVIEW:
Hidalgo County is requesting "Proposals with Qualifications" from qualified "Quality Claims Administration Firm(s)" for "Workers'Compensation." Hidalgo County is seeking to enter into a "Quality Claims Administration Services Contract(s) with a state-registered "Quality Claims Administration Firm(s)." Hidalgo County Purchasing Department will receive sealed envelopes for the provision of **"Quality Claims Administration Services For Workers'Compensation"- Request for Proposals/Qualifications** as specified herein. Statements of qualifications will be accepted until **9:30 A.M., Wednesday, November 14, 2007**. **ANY RFP/Q RECEIVED AFTER THAT DATE AND TIME WILL NOT BE ACCEPTED AND WILL BE RETURNED UNOPENED.**

Deliver Submittal to:

RFP/Q NO: 2007-224-11-14-VYG
Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Administration Building
2812 S. Hwy. 281
Hidalgo County New Administration Building
Edinburg, Texas 78539

The Submittal Envelope Must Show the RFP/Q Number, Name and Acceptance Date.

The following outlines the Request For Proposals/Qualifications:

SECTION I- GENERAL TERMS AND CONDITIONS

ADDITIONAL INFORMATION:
Hidalgo County is requesting that statements of qualifications be routed to Martha L. Salazar, CPPB, Purchasing Agent, at 2812 S. Hwy. 281, Hidalgo County New Administration Building, Edinburg, Texas 78539. **WRITTEN QUESTIONS WILL BE ACCEPTED VIA FACSIMILE BY NO LATER THAN** Wednesday, November 7, 2007 at 5:00 P.M. at (956) 292-7612. Responses will be sent to all applicants via facsimile by Friday, November 9, 2007. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED**.

PROPOSER'S AFFIDAVIT:
Respondents to this RFP/Q must submit a signed Proposer's Affidavit (attached herein in Exhibit "D") certifying that the submission is (1) not the result of Collusion as described in the Proposer's Affidavit; (2) that the Respondent does not have a Conflict of Interest as described in the Proposer's Affidavit; or that the Respondent has not and will not attempt to lobby directly or indirectly as described in the Proposer's Affidavit.

DISCLOSURE OF CONFLICT OF INTEREST:
Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor, person, consultant or contractor considering doing business with Hidalgo County ("the County") to disclose in the Conflict of Interest Questionnaire (the CIQ") attached as **Exhibit D,** vendor, person, consultant or contractor's affiliation or business relationship that might cause a conflict of interest with the County. By law, the CIQ must be filed with the Hidalgo County Clerk's Office no later than the seventh business day after the date the person becomes aware of facts that require that statement to be filed. The disclosure requirement applies to a person or business who contracts or seeks to contract with Hidalgo County for the sale or purchase of property, goods or service. Any purchase order or contract resulting from this process shall be considered null and void if the

successful participant fails to comply with Texas Local Government Code Chapter 176. Vendors, consultants, contractors and others who desire to conduct business with Hidalgo County are encouraged to refer to Texas Local Government Code Chapter 176 for the details of this law. An offense under Texas Local Government Code Chapter 176 is a Class C Misdemeanor.

Please Submit completed CIQ forms to the Hidalgo County Clerk's Office located at 100 N. Closner, Edinburg, Texas 78539-Hidalgo County Courthouse. **COMPLETION AND SUBMISSION OF FORM CIQ IS THE SOLE RESPONSIBILITY OF THE PROPESECTIVE BIDDER.**

NON-DISCRIMINATION:
Submitters, during the performance of this contract, will not discriminate against any employee or applicant for employment because of race, religion, sex, national origin or disability except where religion, sex, national origin or disability is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor.

PROCESSING TIME FOR PAYMENT:
Submitters are advised that a minimum of thirty (30) days is required to process invoices for payment.

ELECTRONIC TRANSMISSION OF BIDS:
Hidalgo County's Purchasing Department will not accept telegraphic or electronically transmitted submissions.

PROOF OF FINANCIAL AND BUSINESS CAPABILITY:
Submitters must, upon request, furnish satisfactory evidence of their ability to furnish products or services in accordance with the terms and conditions of these requirements. Hidalgo County will make the final determination as to the submitter's ability.

SUBMITTER DEFAULT:
Hidalgo County reserves the right, in case of submitter default, to procure the articles or services from other sources and hold the defaulting submitter responsible for any excess costs occasioned thereby.

RESTRICTIVE OR AMBIGUOUS REQUIREMENTS:
It is the responsibility of the submitter to review the Request for Proposals/Qualifications (RFP/Q) packet and to notify the Purchasing Department if the requirements are formulated in a manner that would unnecessarily restrict competition. Any such protest or question regarding the requirements or bidding procedures must be received in the Purchasing Department not less than seventy-two hours prior to the time set for the opening. These criteria also apply to requirements that are ambiguous.

RFP/Q DELIVERY:
Hidalgo County requires submitters, when hand delivering qualifications, to have a Purchasing Department representative time/date stamp and initial the envelope when dropping RFP/Q off.

SIGNING OF QUALIFICATIONS:
In order to be considered all submittals **must** be signed. **Please sign the original in blue ink**.

WAIVING OF INFORMALITIES:
Hidalgo County reserves the right to waive minor informalities or technicalities when it is in the best interest of Hidalgo County.

SUBCONTRACTING:
The successful submitter may not subcontract the award without the written consent of the Commissioners' Court of Hidalgo County.

CONTRACT TERM:

a) **Initial Term:** Effective date is from **January 1, 2008 to January 1, 2009**;
b) **Renewals & Extensions:** It shall be at the County's sole discretion to renew and extend for an additional two (2), one (1) year renewals/extensions are to be provided to Hidalgo County for consideration by no later than, **October 1, 2008** for the first renewal/extension and no later than **October 9, 2009** for the second renewal/extension.

DAVIS BACON ACT:
All selected and awarded firms are required to include the Davis-Bacon Act when advertising and developing specifications. (if applicable)

SECTION II-RFP/Q -REQUIREMENTS

REQUEST FOR PROPOSALS/QUALIFICATIONS:
The required contents and limitations for the preparation of the RFP/Q are described in this section. Failure to provide the requested information or adhere to any County limitations will result in disqualification of the submitted RFP/Q. A total of **one (1) original and ten (10) copies** of the RFP/Q shall be submitted to the address on the cover letter.

CONTENTS:
The required contents for the RFP/Q are presented below in the order they should be incorporated into the submitted document.

UNDERSTANDING OF THE PROJECT:
This section should demonstrate the submitter's understanding of the project needs, the work required, and any local issues or concerns. This description should be concise, candid, and limited to 3 pages in length.

FIRM QUALIFICATIONS:

- Hidalgo County is soliciting to contract with a qualified firms(s) to perform professional quality claims administration for Hidalgo County's Self-Funded Workers' Compensation Program. Please refer to, and fill out, RFP/Q Form, Attachment "A" (Pages 8-13) for qualifications information.

SCOPE OF SERVICES-CLAIMS ADMINISTRATION AND SUPPORT SERVICES:

A. Each Proposer must provide the following proposal:
   - Hidalgo County, all entities

B. Each Proposer must supply a list of all potential servicing personnel with a current resume of each adjuster who would handle or would in any way be involved in the handling of County claims. Any additional personnel to be involved in County claims handling at a later date must have resume submitted for prior consultation with the County, with any subsequent proposal for personnel to follow guidelines as provided herein. Resumes should include a summary of education, experience, licenses, and languages spoken/written, see Attachment A.

As part of proposal price, Hidalgo County requires the ability to view case notes and create unlimited custom reports on-line via TPA website. Training should be included in costs. However, each Proposal shall include samples of the types of statistical data and loss reports to be provided monthly, to including, but not limited to:

a.) A monthly summary of the workers' compensation checking account (check register), listing all checks, vouchers, voided checks, in numerical sequence, stating date issued, claim number, claimant name, payee, amount, type of benefit paid, and benefit period. This report must be presented to Risk Management no later than the 5th day of each month.

b.) Bi-weekly Replenishment Report for funding of the Workers Compensation payment fund.

c.) Loss runs available by any date selection, sorted by several fields (i.e., name, date, type of injury, body part, etc.)

d.) Proposer will prepare and submit IRS Form 1099 for all vendors and mail the forms to vendors. Proposer will prepare and submit Form 1099 data in a magnetic tape format no later than January 15th of each year to County.

e.) Proposer will be available for claims reporting on a 24-hour basis.

f.) Any duplicate payments or overpayments made due to Proposer's oversight or negligence shall be the responsibility of the Proposer; Proproser will reimburse County for same, within 30 days. In addition, Proposer will provide County an overpayment report by type, reason, payee and by fiscal year on a quarterly and annual basis.

g.) Proposer will provide a captioned report to the Risk Management when reserves on any claim reach 50% of County's retention, and Proposer will notify appropriate insurance carriers.

h.) Proposer will cooperate with any medical cost containment, case management, risk management, investigations, law firm or any other organization designated by County.

1. Proposer will meet with the County's Risk Management and Legal Department as follows:
    - Monthly to review the status and or handling of up to 25 claims selected by the County.
    - Quarterly to review all open claims and any other matters a the discretion of the County.
2. Proposer will respond to any request by the County within 24 hours from time a request is made.
3. The agreement will include an indemnify provision to protect the County against errors or omissions committed by the TPA. The provision should also specify that the Proposer agrees to hold the County harmless and to indemnify the County for all arising out of any claims alleging an error or omission with respect to the services performed by the Proposer.
4. The selected Proposer will be subject to periodic claims audits by internal County Staff and/or independent firm at the discretion of the County.
5. Provide description of the on-line computer claims service and attach a sample copy of an on-line illustration or exhibit through printouts of the applicable screens County personnel would see.

i.) County **requires** Proposer to have a local office (within 40 miles of County Administration Building, Edinburg, Texas), to administer all County claims under this contract. Proposer shall provide address of office location with Proposal submission.

PERSONNEL AND STAFFING:
The firm should provide an organizational chart for the project and a summary paragraph of the project work to be performed by each proposed staff member. Biographic summaries that highlight the experience relevant to the specific project responsibilities should be provided for all proposed personnel. There is a one (1) page limitation for each biographic summary provided.

REQUIRED CERTIFICATIONS AND SUBMITTAL:
This section will contain any licenses and certifications as required by the State of Texas, Hidalgo County. All qualified quality claims administrators are required to furnish a certification or acknowledgment stating that the quality claims administrator(s) is/are free from suspension or debarment pursuant to federal regulation 45CRF76. Certification form is included in this packet and must be completed and submitted as part of the response on the RFP/Q. The quality claims administrator(s) should add copies of its/their Professional Liability Insurance as well as all other applicable insurances as required by Hidalgo County and as detailed in Exhibit "C" contained herein.

PROPOSERS ARE TO PROVIDE A FEE SCHEDULE WITH THIS SUBMITTAL:
Proposer is to provide a fee proposal based on the scope of work/services.

NUMBER OF COPIES TO BE SUBMITTED:
Hidalgo County requires one (1) original submittal and ten (10) copies.

PART III-SELECTION AND SCHEDULES

SELECTION/EVALUATION PROCESS:
Hidalgo County will conduct a comprehensive evaluation of all Proposal/Qualification's received in response to this RFP/Q. Hidalgo County will establish a Scoring/Grading Committee comprised of staff members to perform such evaluation. Each RFP/Q received will be analyzed to determine overall responsiveness and qualifications under the RFP/Q; further, the Scoring/Grading Committee and/or Commissioners' Court may select proposing organizations for "in person" presentation, including proposed adjuster(s). Criteria to be evaluated, not necessarily in order of priority, may include the items listed below. Final approval of a selected Proposer is subject to the action of County Commissioners Court.

A.) Economic evaluation of the Proposed Fee Schedule; rates to be submitted during negotiation's phase. **20 Points**

B.) Responsiveness to the Request For Proposal/Qualifications **20 Points**
1. Requested information included and thoroughness of response.
2. Understanding and acceptance of the scope of services.
3. Acceptance of the RFP/Q and Contract Requirements.
4. Clarity and conciseness of the response.

C.) Proposer's capability to provide the services requested and information contained in Attachment "A". **60 Points**

1. Background of Proposer and support personnel, including professional qualifications.
2. Relevant experience of the Proposer.
3. Specific experience with public entity clients.
4. Other resources, including the total number of employees, number and location of offices.
5. References and experience in the Texas Public Sector.

Hidalgo County may accept, within the time specified herein, any RFP/Q in whole for in part, whether or not there are negotiations subsequent to it's receipt. If subsequent negotiations are conducted, they shall not constitute a rejection or alternate RFP/Q on the part of Hidalgo County.

The Contract will be awarded to the respondent whose Proposal will b most advantageous to County, s determined by the evaluation factor's listed herein and by the recommendation of the Scoring/Grading Committee with approval of Hidalgo County Commissioners' Court.

NEGOTIATION PROCESS:
The number one ranked firm will be contacted to submit a draft contract for negotiation. If negotiations prove unsuccessful, the next highest ranked company will be contacted. The Count of Hidalgo reserves the right to reject any and all RFP/Q's.

TERMINATION OF SERVICES:
Any contract awarded to a successful submitter will be in effect until (a) the contract expires, (b) delivery and acceptance of the performance of services ordered, or (c) terminated by County with thirty day's written notice prior to cancellation.

RFP/Q SUBMITTED TO: An original and ten (10) copies of RFP/Q's should be submitted to:

Martha L. Salazar, Purchasing Agent
Hidalgo County Purchasing Department
2812 S. Hwy. 281
Hidalgo County New Administration Building
Edinburg, Texas 78539

RFP/Qs must be submitted by **no later than 9:30 a.m. on Wednesday, November 14, 2007.**

AI-11405 **19.A.6.**

RENEWAL/EXTENSION FOR EXCESS WORKERS COMPENSATION INSURANCE

CC REGULAR

Date: 09/30/2008
Submitted By: Vangie Garcia, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Hidalgo County

Information

CAPTION

Presentation for discussion, consideration and approval to utilize the option to renew/extend the first renewal/extension of the two (2)-one (1) year renewal/extension options at the same rates, terms and conditions, as stated and reflected in the specifications of the RFP and Policy No: 2007-445-12-26 with McGriff, Seibles And Williams for the "Excess Workers Compensation Insurance" Project.

BACKGROUND

Current policy expires on December 31, 2008.

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-2202-419-50-115-066-0-524
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Available balance is $103,250.00 as of 9/25/08.

Attachments

Link: EXHIBIT A REQUIREMENTS
Link: P-07-445-12-26 MCGRIFF, SEIBLES AND WILLIAMS

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 02:55 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 02:59 PM	APRV
3	Dale Kennan	Dale Kennan	09/25/2008 05:29 PM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 04:04 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 04:38 PM	APRV

Form Started By: Vangie Garcia Started On: 09/25/2008 10:34 AM

Final Approval Date: 09/26/2008

EXHIBIT A

REQUIREMENTS/SCOPE OF SERVICES/

HIDALGO COUNTY
REQUEST FOR PROPOSAL

“EXCESS WORKERS’ COMPENSATION INSURANCE”

HIDALGO COUNTY
REQUEST FOR PROPOSAL

"EXCESS WORKERS' COMPENSATION INSURANCE"

RFP NO: 2007-221-11-14-VYG

OVERVIEW:
Hidalgo County (hereinafter referred to as "COUNTY") is soliciting proposals from organization (hereinafter referred to as "PROPOSER") qualified to perform professional excess workers' compensation insurance for the COUNTY's self-funded Workers' Compensation Insurance Program. The scope of the work will encompass all aspects of COUTNY operations and requires extensive knowledge and experience across all lines of coverage. The information provided in the Request For Proposals (hereinafter referred to as "RFP") is only to be used for the purpose of preparing a proposal in the excess workers' compensation insurance.

Sealed proposals will be accepted until 9:30 A.M., Wednesday, November 14, 2007. ANY RFP RECEIVED AFTER THAT DATE AND TIME WILL NOT BE ACCEPTED AND WILL BE RETURNED UNOPENED.

Deliver Submittal to:

RFP NO: 2007-221-11-14-VYG
Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
2812 South Hwy. 281
Hidalgo County New Administration Building
Edinburg, Texas 78539

The Submittal Envelope Must Show:

RFP NO.: 2007-221-11-14-VYG
"EXCESS WORKERS' COMPENATION INSURANCE"

The following outlines the Request for Proposal:

SECTION I - GENERAL TERMS AND CONDITIONS

ADDITIONAL INFORMATION:
Hidalgo County is requesting that sealed proposals be routed to Martha L. Salazar, CPPB, Purchasing Agent, at 2812 South Hwy. 281, at Hidalgo County New Administration Building, Edinburg, Texas 78539. All inquiries must be directed to Hidalgo County Purchasing Agent, Martha L. Salazar. All responses will be distributed through Hidalgo County Purchasing Department. WRITTEN QUESTIONS WILL BE ACCEPTED VIA FACSIMILE BY NO LATER THAN Wednesday, November 7, 2007, at 5:00 P.M. at (956) 292-7612. Responses will be sent to all applicants via facsimile by Friday, November 9, 2007. TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.

Any interpretation of the Request for Proposal, if made, will be made only by Addendum duly issued. A copy of such Addendum will be mailed or delivered to each person receiving the Request for Proposal. Hidalgo County will not be responsible for any other explanation or interpretation of the proposal made or given prior to the award of the

contract. Any objections to the specifications or requirements as set forth in this Request for Proposal must be filed in writing.

Any deviation for the specifications set forth herein must be clearly pointed out; otherwise it will be considered that services proposed are in strict compliance with these specifications and the successful proposer will be held responsible thereof. Deviations shall be explained in detail. Proposers are to furnish all information requested in the Request for Proposal. Proposals not in compliance with these requirements may be subject to rejection. The contractor agrees to protect the County from claims involving infringement of patents or copyrights.

DISCLOSURE OF CONFLICT OF INTEREST:
Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor, person, consultant or contractor considering doing business with Hidalgo County ("the County") to disclose in the Conflict of Interest Questionnaire (the "CIQ") attached as Exhibit D, the vendor, person consultant or contractor's affiliation or business relationship that might cause a conflict of interest with the County. By law, the CIQ must be filed with the Hidalgo County Clerk's Office no later than the seventh business day after the date the person becomes aware of facts that require that statement to be filed. The disclosure requirement applies to a person or business who contract or seeks to contract with Hidalgo County for the sale or purchase of property, goods or service. Any purchase order or contract resulting from this process shall be considered null and void if the Vendors, consultants, contractors and others who desire to conduct business with Hidalgo County are encourage to refer to Texas Local Government Code Chapter 176 for the details of this law. An offense under Texas Local Government Code Chapter 176 is a Class C Misdemeanor.

Please submit complete CIQ forms to the Hidalgo County Clerk's Office locate at 100 No. Closner, Edinburg, Texas 78539-Hidalgo County Courthouse COMPLETION AND SUBMISSION OF FORM CIQ IS THE SOLE RESPONSIBILITY OF THE PROSPECTIVE BIDDER.

PROPOSER'S AFFIDAVIT:
Prior Contract award, respondents to this RFP must submit a signed Proposer's Affidavit (attached herein in Exhibit E) certainly that the submission is (1) not the result of Collusion as described in the Proposer's Affidavit or that the Respondent has not and will not attempt to lobby directly or indirectly as described in the Proposer's Affidavit.

NON-DISCRIMINATION:
Submitters, during the performance of this contract, will not discriminate against any employee or applicant for employment because of race, religion, sex, national origin or disability except where religion, sex, national origin or disability is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor.

PROCESSING TIME FOR PAYMENT:
Submitters are advised that a minimum of thirty (30) days is required to process invoices for payment.

ELECTRONIC TRANSMISSION OF BIDS:
Hidalgo County's Purchasing Department will not accept telegraphic or electronically transmitted submissions.

PROOF OF FINANCIAL AND BUSINESS CAPABILITY:
Submitters must, upon request, furnish satisfactory evidence of their ability to furnish products or services in accordance with the terms and conditions of these requirements. Hidalgo County will make the final determination as to the submitter's ability.

SUBMITTER DEFAULT:
Hidalgo County reserves the right, in case of submitter default, to procure the articles or services from other sources and hold the defaulting submitter responsible for any excess costs occasioned thereby.

RESTRICTIVE OR AMBIGUOUS REQUIREMENTS:
It is the responsibility of the submitter to review the Request for Proposal (RFP) packet and to notify the Purchasing Department if the requirements are formulated in a manner that would unnecessarily restrict competition. Any such protest or question regarding the requirements or proposers procedures must be received in the Purchasing Department not less than seventy-two hours prior to the time set for the opening. These criteria also apply to requirements that are ambiguous.

HAND DELIVERED PROPOSALS:
Hidalgo County requires submitters, when hand delivering proposals, to make sure that it is stamped with date and time by the County Purchasing Staff.

SIGNING OF PROPOSALS:
In order to be considered all submittals must be signed. Please sign the original in blue ink.

WAIVING OF INFORMALITIES:
Hidalgo County reserves the right to waive minor informalities or technicalities when it is in the best interest of Hidalgo County.

SUBCONTRACTING:
The successful submitter may not subcontract the award without the written consent of the Commissioners' Court of Hidalgo County.

- DURATION OF CONTRACT:
  1.) Initial Term: Effective date is from January 1, 2008, through, January 1, 2009;
  2.) Renewals & Extensions: It shall be at the County's sole discretion to renew and extend for an additional two (2), one year renewals/extensions at the same rates and under the same terms and conditions. Two (2), one (1) year renewals/extension rates are to be provided to Hidalgo County for consideration by no later than October 1, 2008 for the first renewal/extension and no later than October 1, 2009 for the second renewal/extension.

DAVIS BACON ACT:
All selected and awarded firms are required to include the Davis-Bacon Act when advertising and developing specifications.

ADDITIONAL INFORMATION TO TERMS AND CONDITIONS:
All costs and expenses with the preparation and submission of (bids, proposals and/or quotes) shall be the responsibility of the proposer and no reimbursements for such charges or expenses shall be passed onto Hidalgo County.

Any contract awarded to a successful proposer 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.

SECTION II - RFP REQUIREMENTS

REQUEST FOR PROPOSALS:
The required contents and limitations for the preparation of the RFP are described in this section. Failure to provide the requested information or adhere to any County limitations will result in disqualification of the submitted RFP. A total of one (1) original and ten (10) copies of the RFP shall be submitted to the address on the cover letter.

Proposers should apprise themselves of all available information. Proposers shall thoroughly examine the specifications, the schedule and all other contract documents.

Proposals should be in conformance with the specifications. Care should be taken to match the requested plan designs as closely as possible. The Request for Proposal specifications are not intended to be restrictive, but Proposals, not in conformance to the specifications, will not be considered unless such nonconformance is explained in detail. General discussion and plan comparison of competing proposals will be in regards to the specified in-force benefits.

Due care has been exercised in the preparation of these specifications, and the information is believed to be substantially correct. However, the responsibility for verification of all information presented herein shall rest solely on the proposer.

CONTENTS:

1. Conditions of Proposal
    a. All information required by the proposal form shall be furnished.

    b. Specification price sheets, specifications and necessary information are attached.

    c. Alternate Proposal- Request for Proposal. Alternate Proposals will be considered. All alternate Proposals should be clearly marked "ALTERNATE PLAN I, ALTERNATE PLAN II., etc." Offerers are encouraged to be creative and to present their most competitive coverage and pricing Proposal.

    d. The County reserves the right to revise and amend the specifications prior to the date set for the opening. Such revisions or amendments, if any will be announced by addenda or amendments to these specifications. Copies of these addenda so issued will be furnished to all prospective proposers.

    e. If you consider any portion of your proposal to be confidential information and that disclosure of its contents to competing proposers would be detrimental to your company, clearly identify those portions. It is the responsibility of the responding party to separate information it considers to be confidential and to place such confidential information on separate sheets of paper, each clearly labeled "CONFIDENTIAL". The identified portions will be protected from disclosure to the extent possible under the law.

    f. Proposals will be opened so as to avoid disclosure of contents to competing proposers, and not be made public during the process of negotiation. However, all Proposals shall be opened for public inspection after the award to of the contract, except for any bonafide secrets and/or confidential information contained in the proposal and identified as such.

    g. Clarification of Objections to Proposal Requirements.
    All such requests for information can only be made in writing sent by email or via fax on or before the deadline of Wednesday, November 7, 2007 to:

Martha L Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Fax No.: 956-292-7612
Email to: martha.salazar@co.hidalgo.tx.us

The required contents for the RFP are presented below in the order they should be incorporated into the submitted document.

UNDERSTANDING OF THE PROJECT:
This section should demonstrate the proposers understanding of the project needs, the work required, and any local issues or concerns. Briefly explain how long you have been organized and your corporate business objectives. Explain how long you have been in business. This description should be concise, candid, and limited to 3 pages in length.

PERSONNEL AND STAFFING:
The proposers should provide an organizational chart for the project and a summary paragraph of the project work to be performed by each proposed staff member. Biographic summaries that highlight the experience relevant to the specific project responsibilities should be provided for all proposed personnel. There is a one (1) page limitation for each biographic summary provided. Information regarding the firm's credentials, education and experience with other government entities is required and will be scored accordingly during the evaluation process.

REQUIRED CERTIFICATES AND SUBMITTAL:
This section will contain any licenses, registrations and certifications as required by the STATE OF TEXAS and HIDALGO COUNTY that you possess that deem you as a qualified provider.

If proposer/company cannot meet any of the following services/responsibilities, such exceptions must be noted on the company's cover letter.

NUMBER OF COPIES TO BE SUBMITTED:
Hidalgo County requires one (1) original submittal and ten (10) copies.

SECTION III – RFP SELECTION AND SCHEDULES

SELECTION PROCEDURES: The RPF shall be submitted according to the schedule below. The County of Hidalgo is not required to select the proposal with the lowest rates, fees, but shall take into consideration other factors, including past experience, evidence of good organization, references, ability to provide requested services and any other factors found necessary for quality services.

PROPOSAL RANKING: Hidalgo County _____ will evaluate the proposals utilizing the evaluation criteria outlined in "Exhibit B" attached herein. Thereafter, Hidalgo County Commissioner's Court will rank and/or award this proposal.

Sealed Request for Proposals must be submitted by no later than 9:30 a.m. on Wednesday, November 14, 2007. Overnight mail must also be properly labeled on the outside of the Express Envelope or Package with reference to: RFP No.: "2007-221-11-14-VYG "EXCESS WORKERS' COMPENSATION INSURANCE."

PROPOSAL SUBMITTED: RFPs should be submitted to:

Martha L. Salazar, Purchasing Agent
Hidalgo County Purchasing Department
2812 South Hwy. 281
Hidalgo County New Administration Building
Edinburg, Texas 78539

NEGOTIATION PROCESS:
The number one ranked firm will be contacted to submit a draft contract for negotiation. If negotiations prove unsuccessful, the next highest ranked company will be contacted. The County of Hidalgo reserves the right to reject any and all RFPs.

EVALUATION: The evaluation system consists of a 100-point system. The participants will be ranked after evaluation. Categories under the 100-point system include response to RFP. RFP submittal evaluation will be based on the criteria outlined in Exhibit B contained herein.

COPY

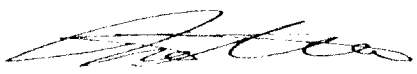
COMMERCIAL LINES POLICY



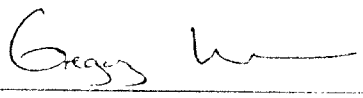
STAR
INSURANCE
COMPANY
A member of Meadowbrook Insurance Group

26255 American Drive
Southfield, MI 48034
(800) 482-2726 or (248) 358-1100

In Witness Whereof, we have caused this policy to be executed and attested, and if required by state law, this policy shall not be valid unless countersigned by our authorized representative.



Secretary of Star Insurance Company



President of Star Insurance Company

STAR
INSURANCE
COMPANY
A member of Meadowbrook® Insurance Group

26600 Telegraph Road
Southfield, MI 48034-2438
Tel: (800) 482-2726
for information, assistance, inquiries on coverage, claims

PUBLIC ENTITY EXCESS LIABILITY POLICY DECLARATIONS

Producer Name and Mailing Address:	London American Risk Specialists, Inc. Campbell Center II, 8150 N. Central Expwy., Suite 1450 Dallas, TX 75206

Renewal of: MDB 02668 85
Policy No.: CP 02677 76
Named Insured and Mailing Address: Hidalgo County 100 E. Cano, 4th Floor Edinburg, TX 78539
Policy Period: From 1/1/08 to 1/1/09 at 12:0am Standard Time at your mailing address shown above

In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

Only a Coverage Form marked below with an "X" is part of this policy on its effective date:

☒ Excess General Liability
☐ Excess Automobile **1 Any Auto*
☒ Excess Workers' Compensation

Defense Costs/Claims Expenses are included in the Limit:

Limit of Insurance:	Each Accident or Occurrence Limit	$1,000,000.
	Policy Aggregate Limit	$2,000,000.
	Workers' Compensation	$Statutory
Self-Insured Limit Retention:	Liability other than W.C.	$1,000,000.
	Workers' Compensation Liability	$350,000.
Advanced Premium:		
☒ Flat ☐ Adjustable (see Premium Adjustment Endorsement)		$146,750

Endorsements attached to this Policy: JCL 00 01; 09 15 IL; 4563 IL; CG 00 01; CG 2135; CG 2425; IL 0017; IL 0021; IL 0275; SNS 1002; SNS 1005; SNS 1008; SNS 1010; SNS 1017; SNS GEN 01; SNS GEN 02; SNS GEN 03; SNS GEN 04.

Countersigned:_____

By_____
Authorized Representative

STAR
INSURANCE
COMPANY
A member of Meadowbrook® Insurance Group

STAR INSURANCE COMPANY

PUBLIC ENTITY EXCESS LIABILITY FORMS

Hidalgo County

Policy Number: CP 02677 76

JCL 00 01	(12/03)	Company Identification Page
09 15 IL	(09/03)	Signature Page
4563 IL	(08/06)	Declarations Page
CG 00 01	(11/88)	ISO General Liability Coverage Form
CG 2135	(01/87)	Exclusion — Coverage C—Medical Payments
CG 2425	(04/02)	Limited Fungi or Bacteria Coverage
IL 0017	(11/98)	ISO Common Policy Conditions
IL 0021	(07/02)	ISO Nuclear Energy Liability Exclusion Endorsement
IL 0275	(10/01)	Texas Cancellation and Non Renewal Endorsement
SNS 1002	(05/03)	Amendatory Endorsement—Workers' Compensation
SNS 1005	(05/03)	Municipality Endorsement
SNS 1008	(05/03)	Excess Workers' Compensation Endorsement
SNS 1010	(05/03)	SIR Endorsement
SNS 1017	(08/06)	Texas Policy Holder Notice
SNS GEN 01	(01/08)	General Endorsement
SNS GEN 02	(01/08)	General Endorsement
SNS GEN 03	(01/08)	General Endorsement
SNS GEN 04	(01/08)	General Endorsement

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we," "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under WHO IS AN INSURED (SECTION II).

Other words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (SECTION V).

SECTION I – COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement.

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend any "suit" seeking those damages. We may at our discretion investigate any "occurrence" and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in LIMITS OF INSURANCE (SECTION III); and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS – COVERAGES A AND B.

b. This insurance applies to "bodily injury" and "property damage" only if:

(1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory;" and

(2) The "bodily injury" or "property damage" occurs during the policy period.

c. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury."

2. Exclusions.

This insurance does not apply to:

a. "Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. "Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

(1) Assumed in a contract or agreement that is an "insured contract," provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or

(2) That the insured would have in the absence of the contract or agreement.

c. "Bodily injury" or "property damage" for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

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d. Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. "Bodily injury" to:

(1) An employee of the insured arising out of and in the course of employment by the insured; or

(2) The spouse, child, parent, brother or sister of that employee as a consequence of (1) above.

This exclusion applies:

(1) Whether the insured may be liable as an employer or in any other capacity; and

(2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract."

f. (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of pollutants:

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured;

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations:

(i) if the pollutants are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor; or

(ii) if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants.

Subparagraphs (a) and (d)(i) do not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a hostile fire.

As used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

(2) Any loss, cost or expense arising out of any:

(a) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

g. "Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading."

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This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:

(a) Less than 26 feet long; and

(b) Not being used to carry persons or property for a charge;

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in paragraph f.(2) or f.(3) of the definition of "mobile equipment" (Section V.8.).

h. "Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice or preparation for, a prearranged racing, speed or demolition contest or in any stunting activity.

i. "Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

j. "Property damage" to:

(1) Property you own, rent, or occupy;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard."

k. "Property damage" to "your product" arising out of it or any part of it.

l. "Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard."

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. "Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work;" or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product;"

(2) "Your work;" or

(3) "Impaired property;"

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

Exclusions c. through n. do not apply to damage by fire to premises rented to you. A separate limit of insurance applies to this coverage as described in LIMITS OF INSURANCE (SECTION III).

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement.

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal injury" or "advertising injury" to which this coverage part applies. We will have the right and duty to defend any "suit" seeking those damages. We may at our discretion investigate any "occurrence" or offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in LIMITS OF INSURANCE (SECTION III); and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverage A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS – COVERAGES A AND B.

b. This insurance applies to:

(1) "Personal injury" caused by an offense arising out of your business, excluding advertising, publishing, broadcasting or telecasting done by or for you;

(2) "Advertising injury" caused by an offense committed in the course of advertising your goods, products or services;

but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions.

This insurance does not apply to:

a. "Personal injury" or "advertising injury:"

(1) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;

(2) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;

(3) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of the insured; or

(4) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

b. "Advertising injury" arising out of:

(1) Breach of contract, other than misappropriation of advertising ideas under an implied contract;

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(2) The failure of goods, products or services to conform with advertised quality or performance;

(3) The wrong description of the price of goods, products or services; or

(4) An offense committed by an insured whose business is advertising, broadcasting, publishing or telecasting.

COVERAGE C. MEDICAL PAYMENTS

1. Insuring Agreement.

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

(1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

(1) The accident takes place in the "coverage territory" and during the policy period;

(2) The expenses are incurred and reported to us within one year of the date of the accident; and

(3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) First aid at the time of an accident;

(2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions.

We will not pay expenses for "bodily injury:"

a. To any insured.

b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. To a person injured on that part of premises you own or rent that the person normally occupies.

d. To a person, whether or not an employee of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. To a person injured while taking part in athletics.

f. Included within the "products-completed operations hazard."

g. Excluded under Coverage A.

h. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

We will pay, with respect to any claim or "suit" we defend:

1. All expenses we incur.

2. Up to $250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

3. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

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4. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to $100 a day because of time off from work.
5. All costs taxed against the insured in the "suit."
6. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
7. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:
   a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
   b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
   c. An organization other than a partnership or joint venture, you are an insured. Your executive officers and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
2. Each of the following is also an insured:
   a. Your employees, other than your executive officers, but only for acts within the scope of their employment by you. However, no employee is an insured for:
      (1) "Bodily injury" or "personal injury" to you or to a co-employee while in the course of his or her employment, or the spouse, child, parent, brother or sister of that co-employee as a consequence of such "bodily injury" or "personal injury," or for any obligation to share damages with or repay someone else who must pay damages because of the injury; or
      (2) "Bodily injury" or "personal injury" arising out of his or her providing or failing to provide professional health care services; or
      (3) "Property damage" to property owned or occupied by or rented or loaned to that employee, any of your other employees, or any of your partners or members (if you are a partnership or joint venture).
   b. Any person (other than your employee), or any organization while acting as your real estate manager.
   c. Any person or organization having proper temporary custody of your property if you die, but only:
      (1) With respect to liability arising out of the maintenance or use of that property; and
      (2) Until your legal representative has been appointed.
   d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:
   a. "Bodily injury" to a co-employee of the person driving the equipment; or
   b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.
4. Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
   a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

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b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage B does not apply to "personal injury" or "advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
   a. Insureds;
   b. Claims made or "suits" brought; or
   c. Persons or organizations making claims or bringing "suits."
2. The General Aggregate Limit is the most we will pay for the sum of:
   a. Medical expenses under Coverage C;
   b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard;" and
   c. Damages under Coverage B.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard."
4. Subject to 2. above, the Personal and Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal injury" and all "advertising injury" sustained by any one person or organization.
5. Subject to 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
   a. Damages under Coverage A; and
   b. Medical expenses under Coverage C

   because of all "bodily injury" and "property damage" arising out of any one "occurrence."
6. Subject to 5. above, the Fire Damage Limit is the most we will pay under Coverage A for damages because of "property damage" to premises rented to you arising out of any one fire.
7. Subject to 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The limits of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy.

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. Duties In The Event Of Occurrence, Claim Or Suit.

a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
   (1) How, when and where the "occurrence" or offense took place;
   (2) The names and addresses of any injured persons and witnesses; and
   (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

b. If a claim is made or "suit" is brought against any insured, you must:
   (1) Immediately record the specifics of the claim or "suit" and the date received; and
   (2) Notify us as soon as practicable.

   You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

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c. You and any other involved insured must:

(1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit;"

(2) Authorize us to obtain records and other information;

(3) Cooperate with us in the investigation, settlement or defense of the claim or "suit;" and

(4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

d. No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. Legal Action Against Us.

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Other Insurance.

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

b. Excess Insurance

This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

(1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work;"

(2) That is Fire insurance for premises rented to you; or

(3) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Coverage A (Section I).

When this insurance is excess, we will have no duty under Coverage A or B to defend any claim or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

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If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. **Premium Audit.**
   a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
   b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured.
   c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.
6. **Representations.**
   By accepting this policy, you agree:
   a. The statements in the Declarations are accurate and complete;
   b. Those statements are based upon representations you made to us; and
   c. We have issued this policy in reliance upon your representations.
7. **Separation Of Insureds.**
   Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:
   a. As if each Named Insured were the only Named Insured; and
   b. Separately to each insured against whom claim is made or "suit" is brought.
8. **Transfer Of Rights Of Recovery Against Others To Us.**
   If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
9. **When We Do Not Renew.**
   If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.
   If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertising injury" means injury arising out of one or more of the following offenses:
   a. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
   b. Oral or written publication of material that violates a person's right of privacy;
   c. Misappropriation of advertising ideas or style of doing business; or
   d. Infringement of copyright, title or slogan.
2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment."
3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
   a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
   b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in a. above; or
   c. All parts of the world if:
      (1) The injury or damage arises out of:
         (a) Goods or products made or sold by you in the territory described in a. above; or

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(b) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; and

(2) The insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.

5. "Impaired property" means tangible property, other than "your product" or "your work," that cannot be used or is less useful because:

   a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

   b. You have failed to fulfill the terms of a contract or agreement;

   if such property can be restored to use by:

   a. The repair, replacement, adjustment or removal of "your product" or "your work;" or

   b. Your fulfilling the terms of the contract or agreement.

6. "Insured contract" means:

   a. A lease of premises;

   b. A sidetrack agreement;

   c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

   d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

   e. An elevator maintenance agreement;

   f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

   An "insured contract" does not include that part of any contract or agreement:

   a. That indemnifies any person or organization for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;

   b. That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

      (1) Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or

      (2) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;

   c. Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in b. above and supervisory, inspection or engineering services; or

   d. That indemnifies any person or organization for damage by fire to premises rented or loaned to you.

7. "Loading or unloading" means the handling of property:

   a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto;"

   b. While it is in or on an aircraft, watercraft or "auto;" or

   c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

   but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto."

8. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

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a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos:"

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing;

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

9. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

10. "Personal injury" means injury, other than "bodily injury," arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;

d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; or

e. Oral or written publication of material that violates a person's right of privacy.

11.a. "Products-completed operations hazard" includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned.

b. "Your work" will be deemed completed at the earliest of the following times:

(1) When all of the work called for in your contract has been completed.

(2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.

(3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

c. This hazard does not include "bodily injury" or "property damage" arising out of:

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(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the "loading or unloading" of it;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials;

(3) Products or operations for which the classification in this Coverage Part or in our manual of rules includes products or completed operations.

12. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss shall be deemed to occur at the time of the "occurrence" that caused it.

13. "Suit" means a civil proceeding in which damage because of "bodily injury," "property damage," "personal injury" or "advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

14. "Your product" means:

a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(1) You;

(2) Others trading under your name; or

(3) A person or organization whose business or assets you have acquired; and

b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes:

a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product;" and

b. The providing of or failure to provide warnings or instructions.

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

15. "Your work" means:

a. Work or operations performed by you or on your behalf; and

b. Materials, parts or equipment furnished in connection with such work or operations.

"Your work" includes:

a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work;" and

b. The providing of or failure to provide warnings or instructions.

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POLICY NUMBER: CP 02677 76	COMMERCIAL GENERAL LIABILITY
Hidalgo County, TX	

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – COVERAGE C – MEDICAL PAYMENTS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description and Location of Premises or Classification:

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to any locations or classification shown in the Schedule, coverage C. MEDICAL PAYMENTS (Section I) does not apply and none of the references to it in the Coverage Part apply.

The following is added to SUPPLEMENTARY PAYMENTS (Section I):

8. Expenses incurred by the insured for first aid to others at the time of an accident for "bodily injury" to which this insurance applies.

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STAR INSURANCE COMPANY

POLICY NUMBER: CP 02677 76	COMMERCIAL GENERAL LIABILITY
Hidalgo County, TX.	CG 24 25 04 02

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITED FUNGI OR BACTERIA COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Fungi and Bacteria Liability Aggregate Limit	**$500,000 per occurrence**	$500,000 aggregate

A. The following exclusion is added to Paragraph **2.**, Exclusions of **Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

a. "Personal and advertising injury" arising out of a "fungi or bacteria incident".

b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

B. Coverage provided by this insurance for "bodily injury" or "property damage", arising out of a "fungi or bacteria incident", is subject to the Fungi and Bacteria Liability Aggregate Limit as described in Paragraph **C.** of this endorsement. This provision **B.** does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for consumption.

C. The following are added to **Section III – Limits of Insurance:**

1. Subject to Paragraphs **2.** and **3.** of Section **III** – Limits of Insurance, as applicable, the Fungi and Bacteria Liability Aggregate Limit shown in the Schedule of this endorsement is the most we will pay under Coverage **A** for all "bodily injury" or "property damage" and Coverage **C.** for Medical Payments arising out of one or more "fungi or bacteria incidents". This provision **C.1.** does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for consumption.

2. Paragraphs **5.**, the Each Occurrence Limit, Paragraph **6.**, the Damage To Premises Rented To You Limit, and Paragraph **7.**, the Medical Expense Limit, of Section **III** – Limits of Insurance continue to apply to "bodily injury" or "property damage" arising out of a "fungi or bacteria incident".

D. The following definitions are added to the **Definitions** Section:

1. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

2. "Fungi or bacteria incident" means an incident which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

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COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
   a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
   b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
   a. Make inspections and surveys at any time;
   b. Give you reports on the conditions we find; and
   c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
   a. Are safe or healthful; or
   b. Comply with laws, regulations, codes or standards.
3. Paragraphs **1.** and **2.** of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph **2.** of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:
   - **A.** Under any Liability Coverage, to "bodily injury" or "property damage":
     - **(1)** With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
     - **(2)** Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
   - **B.** Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
   - **C.** Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
     - **(1)** The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;
     - **(2)** The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
     - **(3)** The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

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2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "Special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

(a) Any "nuclear reactor";

(b) Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES – CANCELLATION AND NONRENEWAL PROVISIONS FOR CASUALTY LINES AND COMMERCIAL PACKAGE POLICIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY
FARM COVERAGE PART – FARM LIABILITY COVERAGE FORM
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

This endorsement also modifies insurance provided under the following when written as part of a Commercial Package Policy:

BOILER AND MACHINERY COVERAGE PART
COMMERCIAL CRIME COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY
FARM COVERAGE PART – FARM LIABILITY COVERAGE FORM
FARM COVERAGE PART – FARM PROPERTY – FARM DWELLINGS, APPURTENANT STRUCTURES AND HOUSEHOLD PERSONAL PROPERTY COVERAGE FORM
FARM COVERAGE PART – FARM PROPERTY – FARM PERSONAL PROPERTY COVERAGE FORM
FARM COVERAGE PART – FARM PROPERTY – BARNS, OUTBUILDINGS AND OTHER FARM STRUCTURES COVERAGE FORM
FARM COVERAGE PART – FARM PROPERTY – OTHER FARM PROVISIONS FORM – ADDITIONAL COVERAGES, CONDITIONS, DEFINITIONS
FARM COVERAGE PART – LIVESTOCK COVERAGE FORM
FARM COVERAGE PART – MOBILE AGRICULTURAL MACHINERY AND EQUIPMENT COVERAGE FORM
GLASS COVERAGE FORM
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following:

2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, stating the reason for cancellation, at least 10 days before the effective date of cancellation.

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However, if this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then the notice of cancellation, as described above, will be provided to the First Named Insured 30 days before the effective date of cancellation. We will also provide 30 days' written notice to each unit-owner to whom we issued a certificate or memorandum of insurance, by mailing or delivering the notice to each last mailing address known to us.

The permissible reasons for cancellation are as follows:

a. If this policy has been in effect for 60 days or less, we may cancel for any reason except, that under the provisions of the Texas Insurance Code, we may not cancel this policy solely because the policyholder is an elected official.

b. If this policy has been in effect for more than 60 days, or if it is a renewal or continuation of a policy issued by us, we may cancel only for one or more of the following reasons:

(1) Fraud in obtaining coverage;

(2) Failure to pay premiums when due;

(3) An increase in hazard within the control of the insured which would produce an increase in rate;

(4) Loss of our reinsurance covering all or part of the risk covered by the policy; or

(5) If we have been placed in supervision, conservatorship or receivership and the cancellation is approved or directed by the supervisor, conservator or receiver.

B. The following condition is added and supersedes any provision to the contrary:

NONRENEWAL

1. We may elect not to renew this policy except, that under the provisions of the Texas Insurance Code, we may not refuse to renew this policy solely because the policyholder is an elected official.

2. This Paragraph, **2.**, applies unless the policy qualifies under Paragraph **3.** below.

If we elect not to renew this policy, we may do so by mailing or delivering to the first Named Insured, at the last mailing address known to us, written notice of nonrenewal, stating the reason for nonrenewal, at least 60 days before the expiration date. If notice is mailed or delivered less than 60 days before the expiration date, this policy will remain in effect until the 61st day after the date on which the notice is mailed or delivered. Earned premium for any period of coverage that extends beyond the expiration date will be computed pro rata based on the previous year's premium.

3. If this policy covers a condominium association, and the condominium property contains at least one residence or the condominium declarations conform with the Texas Uniform Condominium Act, then we will mail or deliver written notice of nonrenewal, at least 30 days before the expiration or anniversary date of the policy, to:

a. The first Named Insured; and

b. Each unit-owner to whom we issued a certificate or memorandum of insurance.

We will mail or deliver such notice to each last mailing address known to us.

4. If notice is mailed, proof of mailing will be sufficient proof of notice.

5. The transfer of a policyholder between admitted companies within the same insurance group is not considered a refusal to renew.

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AMENDATORY ENDORSEMENT

MANDATORY WITH ENDORSEMENT
SNS 1008

It is hereby understood and agreed that the following is applicable to Endorsement #SNS 1008, Extension of General Liability Coverage Excess Workers' Compensation:

1. Service Company:

   Tristar Risk Management Servdices
   PO Box 60072
   Corpus Christi, TX 78466
   Telephone: (361) 857 0115

2. Identification of submission material information received from:

   Mr. Tom J. Eller
   London American Risk Specialists, Inc.
   Campbell Center II
   8150 N. Central Expwy
   Suite 1450
   Dallas, TX 75206

3. Insurance is applicable only in the following state:

   Texas

4.

A	B	C
Classification of Operation	Manual Code	Estimated Annual Payroll

NOT APPLICABLE -- **FLAT PREMIUM**

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ CAREFULLY

MUNICIPALITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

This insurance does not apply to any liability:

A. arising out of or caused or contributed to by any ownership, maintenance, operation, use, loading, unloading or control of or responsibility for any aircraft;

B. arising out of or caused or contributed to by any ownership, maintenance, operation, use or control of or responsibility for any airfield, airport, runway, hangar, building or other property or facility designed for, used, connected, associated or affiliated with or in any way related to aviation or aviation activities;

C. for **BODILY INJURY** or **PROPERTY DAMAGE** if such **BODILY INJURY** or **PROPERTY DAMAGE** is due to any rendering of or failure to render any professional medical, surgical or dental service;

D. actually or allegedly arising out of or caused or contributed to by or in any way connected with any principle or eminent domain, condemnation proceeding, inverse condemnation, dedication by adverse use or adverse possession, by whatever name called;

E. arising out of, in connection with or caused or contributed to by any failure or inability to supply or any interruption of any adequate quantity of power, steam, pressure, fuel or water;

F. arising out of or caused or contributed to by any subsidence, erosion or earth movement;

G. arising out of or caused or contributed to by any operation, maintenance, use, ownership or control of or responsibility for any hospital, treatment center or other medical, psychiatric or psychological facility or any facility which is similar or related to any of the foregoing, except as respects **BODILY INJURY** or **PROPERTY DAMAGE** arising out of fire, explosion, collapse or earthquake at such facility;

H. arising out of or caused or contributed to by or connected with any actual or alleged violation of the Employee Retirement Income Security Act of 1974 (Public Law 93-406) or any amendment thereto or any similar provision of any local, state or federal law, statutory or common;

I. arising out of or caused or contributed to by any actual or alleged illegal discrimination, or

J. arising out of caused by or contributed to by any actual or alleged deterioration, bursting, breaking, leaking, inadequacy, design of, control of, maintenance of, or any other alleged responsibility for any structure device, or water course, natural or man-made, including, but not limited to, dams, reservoirs, levees, banks, embankments, gates, canals, ditches, gutters, sewers, aqueducts, channels, culvert, retaining walls, drains, tanks, watershed, or drains, a purpose of which is the containing, carrying, impeding, channeling, diverting, or draining of water or other liquid;

K. arising out of the sale or distribution or handling of contaminants, or pollutants including but not limited to acids, alkylides, chemicals, metals or bacteria in water sold, handled or distributed by or on behalf of the NAMED INSURED;

L. arising out of inhaling, ingesting or prolonged exposure to asbestos or goods or products containing asbestos, or the use of asbestos in constructing or manufacturing any good, product or structure, or the removal of asbestos from any good, product or structure, or the manufacture, sale, transportation, storage or disposal of asbestos or goods or products containing asbestos;

The coverage afforded by this policy does not apply to payment for the investigation or defense of any loss, injury or damage or any cost, fine or penalty or for any expense or claim or suit related to any of the above.

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EXTENSION OF GENERAL LIABILITY COVERAGE
EXCESS WORKERS' COMPENSATION ENDORSEMENT

In consideration of the additional premium shown on Endorsement # SNS 1002, the Policy is extended to include coverage for Workers' Compensation as follows:

The **INSURER** does agree with the **INSURED**

A. in consideration of the payment of all premiums by the **INSURED**,
B. in consideration of the continued use of the **SERVICE COMPANY** designated in Endorsement # SNS 1002, Item -1- or any other **SERVICE COMPANY** agreed to, in writing, by the **INSURER**,
C. in reliance upon the truth and completeness of all statements and representations made in the **SUBMISSION MATERIALS**, as specified in Endorsement # SNS 1002, Item -2-,
D. in reliance upon the truth and completeness of all statements and representations made in the declarations, attached hereto and made a part hereof, and
E. subject to all of the **CONDITIONS** of this **INSURANCE CONTRACT** as follows:

CONDITION I -- INSURING AGREEMENT

The **INSURER** agrees to indemnify the **INSURED** for **LOSS**, in excess of the **SELF-INSURED RETENTION**, which **LOSS** is sustained, by the **INSURED**, because of liability imposed upon the **INSURED**

A. by the **WORKERS' COMPENSATION ACT** of any state designated in Endorsement # SNS 1002, for damages on account of **BODILY INJURY** or **OCCUPATIONAL DISEASE**, which **BODILY INJURY** or **OCCUPATIONAL DISEASE** is

   1. a result of an **OCCURRENCE** during the INSURANCE **CONTRACT PERIOD**, and
   2. suffered by any **EMPLOYEE** of the **INSURED**, which are incidental to any of the **CLASSIFICATIONS OF OPERATIONS** which are designated in Endorsement # SNS 1002, Item 4, or

B. by LAW for damages on account of **BODILY INJURY** or **OCCUPATIONAL DISEASE**, which **BODILY INJURY** or **OCCUPATIONAL DISEASE** is

   1. a result of an **OCCURRENCE** during the **INSURANCE CONTRACT PERIOD**, and
   2. suffered by an **EMPLOYEE** of the **INSURED**, but only if that **EMPLOYEE** is regularly engaged by the **INSURED**

      a. in any of the **CLASSIFICATIONS OF OPERATIONS** which are designated in Endorsement # SNS 1002, Item -4-, and
      b. in a state designated in Endorsement # SNS 1002, Item -3-, even if that **EMPLOYEE** may be temporarily outside such designated states in connection with operations which are conducted within such designated states.

CONDITION II -- INDEMNITY FOR CLAIM EXPENSES

The **INSURER** shall, as respects the insurance afforded by this **INSURANCE CONTRACT**, indemnify the **INSURED** for **CLAIM EXPENSES** in the proportion that the **INSURER'S** portion of the **LOSS** bears to the total amount of such final award, verdict or judgment against the **INSURED**.

CONDITION III -- SELF-INSURED RETENTION

A. As respects any Specific Excess Workers' Compensation Insurance, the **INSURED** shall retain, as to each **OCCURRENCE**, as a self-insured retention and for the **INSURED'S** own account

1. that amount stated in the POLICY DECLARATIONS, and
2. all interest costs, which interest shall not reduce the self-insured retention, and
3. all costs and all expenses of any and all investigation, defense, negotiation and settlement, and
4. all **INTERMEDIATE REINSURANCE**.

B. As respects any Aggregate Excess Workers' Compensation Reinsurance, the **INSURED** shall retain, in the aggregate, as respects occurrences which are insured under this **INSURANCE CONTRACT** and which take place during the **INSURANCE CONTRACT PERIOD**, as a self-insured retention and for the **INSURED'S** own account

1. that amount stated in N.A., and
2. all costs and all expenses of any and all investigation, defense, negotiation and settlement, and
3. all **INTERMEDIATE REINSURANCE**.

At such time as the **INSURED** has accumulated, subject to the per **OCCURRENCE** contribution limit stated in N.A. the amount stated in N.A. to the **INSURED'S** own account, the **INSURER** shall waive and the **INSURED** shall no longer be required to retain that amount stated in Item N.A. and the **INSURER** agrees to indemnify the **INSURED** for **LOSS** and per OCCURRENCE, up to the amount stated in the Policy Declarations.

CONDITION IV -- FAILURE OF THE INSURED TO

A. **COMPLY WITH ANY WORKERS' COMPENSATION ACT**, or
B. **QUALIFY AS A SELF-INSURER**
in the event that the **INSURED**

1. rejects the **WORKERS' COMPENSATION ACT**, in whole or in part, as respects any operations in any of the states designated in Endorsement # SNS 1002, Item -3-, or
2. fails to qualify as a duly authorized self-insurer under the **WORKERS' COMPENSATION ACT** of any state designated in Endorsement # SNS 1002, Item -3-, then the amount of LOSS and **CLAIM EXPENSES** shall be considered not to exceed the amount of **LOSS** and **CLAIM EXPENSES** which would have resulted if the **INSURED** had not rejected such act and had qualified as a duly authorized self-insurer.

CONDITION V -- EXCLUSIONS

The insurance afforded by this INSURANCE CONTRACT shall not apply to any

A. **LOSS** or **CLAIM EXPENSE** arising out of or caused or contributed to by any operations, which operations are insured or should have been insured

1. under a standard Workers' Compensation and employers Liability Policy,
2. under any other policy of direct insurance, or with or through any state fund, but whatever name called or

B. costs or expenses of defense, settlement, negotiation or investigation other than **CLAIM EXPENSES**, or
C. bodily injury to or sickness, disease or death of any persons who were illegally employed by the **INSURED** with knowledge of such illegality by the **INSURED** or any officer, director, trustee or representative of the **INSURED**, or
D. salaries or other remuneration of any **EMPLOYEES** of the **INSURED**, or
E. interest.

CONDITIONS VI -- DEFINITIONS

A. **INSURED** means only that person or organization named in Item 1 of the **DECLARATIONS**.
B. **INSURANCE CONTRACT PERIOD** means that period of time designated in Item 2 of the **DECLARATIONS** or, if this **INSURANCE CONTRACT** is sooner terminated, such lesser period of time.
C. **STANDARD PREMIUM** means the unmodified premium which the INSURED would have for full coverage Workers' Compensation and Employers Liability Insurance if the **INSURED** were so insured during the **INSURANCE CONTRACT PERIOD.**
D. **PAYROLL** means salary, tips, bonuses, commissions, overtime earnings, the monetary value of all non-monetary remuneration and all other remuneration earned by all **EMPLOYEES** during the **INSURANCE CONTRACT PERIOD** but **PAYROLL** shall not include any expenses, which expenses were

    1. reimburse to any **EMPLOYEE** by the **INSURED**, and
    2. incurred by such **EMPLOYEE**, on behalf of the **INSURED**, in the course of the business activities of the **INSURED**.

E. SUBMISSION MATERIALS means those documents listed in Endorsement # SNS 1002, Item -2-.
F. **LOSS** means only such amounts as are actually paid, in cash, by or on behalf of the **INSURED**, in payment of benefits under the applicable **WORKERS' COMPENSATION ACT** or **LAW**

    1. in settlement of claims, and
    2. in satisfaction of awards or judgments, but **LOSS** shall not include any salaries or other remuneration paid or due to any **EMPLOYEES** of the INSURED on any **CLAIM EXPENSES**

G. **WORKERS' COMPENSATION ACT** means the WORKMENS' **COMPENSATION ACT** of the applicable state designated in Endorsement # SNS 1002, Item -3-, whether or not including any separate occupational disease act of that same state.
H. BODILY INJURY means bodily injury or sickness, whether or not resulting in death, but BODILY INJURY shall not include any OCCUPATIONAL DISEASE.
I. **OCCUPATIONAL DISEASE** means any occupational disease, whether or not resulting in death, but **OCCUPATIONAL DISEASE** shall not include any **BODILY INJURY**.
J. **OCCURRENCE** means

    1. as respects BODILY INJURY, an accident, or
    2. as respects **OCCUPATIONAL DISEASE**, each separate occupational disease suffered by each separate **EMPLOYEE**, which **OCCURRENCE** shall be deemed to take place on the date which such **EMPLOYEE** ceases work as a result of such occupational disease.

K. **EMPLOYEE** means any person who is performing work of any kind for the **INSURED**, and for whom and because of such work the INSURED is liable for the payment of benefits, under the **WORKERS' COMPENSATION ACT** of any state designated in Endorsement # SNS 1002, Item -3-, because of **BODILY INJURY** or **OCCUPATIONAL DISEASE**.

L. **LAW** shall mean statute of common law as shall obligate the **INSURED** to pay damages to any **EMPLOYEE** of the **INSURED** because of **BODILY INJURY** or **OCCUPATIONAL DISEASE** sustained by that EMPLOYEE in the course of employment by the **INSURED**, but **LAW** shall not include any **WORKERS' COMPENSATION ACT**.

M. **CLAIM EXPENSES** means any and all

1. court costs, and

2. allocated investigation, adjustment or legal expenses, but **CLAIMS EXPENSES** shall not include any salaries or other remuneration paid or due to any **EMPLOYEE** of the **INSURED** or to the **SERVICE COMPANY**.

CONDITION VII -- PREMIUM

A. The **PREMIUM** designated in the Endorsement NOT APPLICABLE is an advance premium only, which, when paid by the **INSURED**, shall be credited to the amount of earned premium due at the end of the **INSURANCE CONTRACT PERIOD**. At the close of each period (or part thereof terminating with the end of the **INSURANCE CONTRACT PERIOD**) designated in the **DECLARATIONS** Item 2, the earned **PREMIUM** shall be computed for such period and, upon notice thereof to the **INSURED**, shall become fully due and payable. If the total earned **PREMIUM** for the **INSURANCE CONTRACT PERIOD** is less than the **PREMIUM** paid to date during the **INSURANCE CONTRACT PERIOD**, the **INSURER** shall return, for the account of the **INSURED** and subject to the **MINIMUM AND FULLY EARNED PREMIUM**, the unearned portion paid by the **INSURED**.

B. The **INSURED** shall maintain accurate and complete records of such information as is necessary for premium computation, and shall send copies of such records to the **INSURER** at the end of the **INSURANCE CONTRACT PERIOD** and at such other times as the **INSURER** may direct.

C. The terms of this **CONDITION** shall apply separately and independently to Endorsement NOT APPLICABLE in the same manner as though two separate and distinct **INSURANCE CONTRACTS** had been issued.

CONDITION VIII -- ADMINISTRATION OF CLAIMS

A. The **INSURED** shall

1. investigate and settle or defend all claims, and
2. conduct the defense and appeal in all actions, suits or other proceedings, which claims, actions, suits or other proceedings are commenced against the **INSURED**, and
3. give prompt notice to the INSURER of any

   a. claim, suit, action or other proceeding commenced against the **INSURED**, and
   b. proceeding, event or development which, in the judgment of the **INSURED**, may result in a claim against the **INSURER**, and
4. promptly forward to the **INSURER** copies of all pleadings, claims, suits, actions, proceedings and reports of investigation as may be requested by the **INSURER**.

B. The **INSURER** may elect, at its own option, cost and expense, to participate with the **INSURED** in the defense of appeal of any claim, suit, action or other proceedings in which the INSURER judges it may become involved.

C. The **INSURED** shall not, except at its own cost, peril and expense, make any voluntary settlement of any **LOSS** which involves the **INSURER**, except with the written consent of the **INSURER**.

CONDITION IX -- SERVICE COMPANY

A. The **INSURED** shall engage the **SERVICE COMPANY** named in Endorsement # SNS 1002, Item -1-, and such **SERVICE COMPANY** shall be engaged to provide the **INSURED** with at least the following services:

1. supervision of the **INSURED'S** legal obligations to EMPLOYEES injured in the course of the **INSURED'S** employ
2. maintenance of accurate and complete records of all details concerning each and every occurrence,
3. furnishings of adequate inspection and engineering services, including compliance with all requirements of **OSHA, NIOSH**, or any similar law or regulatory authority,
4. furnishing of complete and accurate periodical advice to the **INSURED** and the **INSURER**, on forms of the **SERVICE COMPANY**, with regard to any and all

    a. accident reports, and
    b. notices of **OCCURRENCE**, claim, suit, action or other proceeding,

5. tabulations, separately, of all

    a. payments
    b. reserves, and
    c. expenses or expense reserves made or established because of any **BODILY INJURY** to or **OCCUPATIONAL DISEASE** or any **EMPLOYEE** of the **INSURED**,

6. compilation and furnishing of all notices and reports required, and
7. general administration of and responsibility for all other details concerning the effective discharge of the **INSURED'S** obligations to its **EMPLOYEES**, which obligations arise out of **BODILY INJURY** to or **OCCUPATIONAL DISEASE** of any **EMPLOYEES**.

B. In the event of any actual or proposed termination of any services of the **SERVICE COMPANY**

1. prompt notice thereof shall be given by the **INSURED** to the **INSURER** along with a description of the causes therefore,
2. such termination shall not relieve the **INSURED** of any of its obligations to provide the services afforded by the **SERVICE COMPANY**,
3. such termination shall not relieve the **INSURED** of any of its obligations under the **INSURANCE CONTRACT**, and
4. the **INSURER** shall have the right, at its option, to terminate this **INSURANCE CONTRACT**.

C. The **SERVICE COMPANY** designated in Endorsement # SNS 1002, Item -1-, may be terminated by the **INSURED** without the consent of the **INSURER**, but any replacement thereof or supplement thereto must be advised in writing to the **INSURER**.

CONDITION X -- INSPECTION AND AUDIT

A. The **INSURER** shall be permitted, but in no event shall it be obligated, to inspect the property and operations of

1. the **INSURED**
2. The **SERVICE COMPANY**, and
3. any and all agents of either or both of the foregoing at any time.

B. Any

1. right of the **INSURER** to make such inspections,
2. making thereof, or
3. report thereon

shall not constitute an undertaking, on behalf or for the benefit of anyone, to warrant or determine that such property or operations are safe or healthful or in compliance with any law, rule, regulation or standard.

C. The **INSURER** may examine and audit the books and records of

1. the **INSURED**
2. the **SERVICE COMPANY**, and
3. any and all agents of either or both of the foregoing at any time
   a. during the **INSURANCE CONTRACT PERIOD**,
   b. during any extensions of the **INSURANCE CONTRACT PERIOD**,
   c. within three (3) years of the end of either of the foregoing, or
   d. while there is any actual or potential outstanding liability for **LOSS** or **CLAIM EXPENSE** under this **INSURANCE CONTRACT**,

   whichever comes last, but only insofar as such books or records may relate to this **INSURANCE CONTRACT**.

CONDITION XI -- COOPERATION

The **INSURED** and the **SERVICE COMPANY** shall cooperate with the **INSURER** and, at the request of the **INSURER**, each shall

A. assist in

1. making settlements
2. the conduct of suits or other actions or proceedings,
3. enforcing any and all rights of contribution or indemnity against any person who or organization which may be liable to the **INSURED** or the SERVICE **COMPANY** for **BODILY INJURY** or **OCCUPATIONAL DISEASE** which is reinsured under this **INSURANCE CONTRACT**,
4. securing and giving evidence, and
5. obtaining the attendance and cooperation of witnesses, and

B. attend hearings, trials and other proceedings.

CONDITION XII -- SUBROGATION

In the event of any payment under this **INSURANCE CONTRACT**, the **INSURER** shall be subrogated to all of the **INSURED'S** rights of recovery therefore against any person or organization, and the **INSURED** and the **SERVICE COMPANY** shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. no person or organization shall do anything to prejudice such a right.

CONDITION XIII -- OTHER INSURANCE

A. In event that the **INSURED** should have any excess insurance, indemnity or other insurance for the same elements of **LOSS** or **CLAIM EXPENSES** as insured under this **INSURANCE CONTRACT**, the **INSURER** shall not be liable for a greater proportion of such **LOSS** and **CLAIM EXPENSES** than the applicable **INSURANCE LIMIT** of this **INSURANCE CONTRACT** bears to the combined insurance limits, limits of liability and limits of indemnity of all valid and collectible reinsurance, insurance and indemnity policies or contract applicable to that **LOSS** or **CLAIM EXPENSES**.

B. This **CONDITION** shall not apply to **INTERMEDIATE REINSURANCE**, which reinsurance this **INSURANCE CONTRACT** shall always be in excess of.

CONDITION XIV -- ACTION AGAINST INSURER

A. No action shall lie against the **INSURER** unless, as a condition precedent thereto,

1. the **INSURED** and
2. all agents, representatives and **EMPLOYEES** of the **INSURED** shall have fully complied with all the **CONDITIONS** of this **REINSURANCE CONTRACT**, and the amount of the **INSURED'S** obligation to pay shall have been finally determined by

a. judgment or award against the **INSURED**, after actual trial or hearing
b. written agreement among the claimant, the **INSURED** and the **INSURER**, or

c. written agreement between the claimant and the **INSURER**, whichever comes first.

B. Any person or organization, or the legal representative thereof, who has secured such judgment or written agreement shall thereafter be entitled to recover under this INSURANCE CONTRACT to the extent of the reinsurance afforded. No person or organization shall have the right under this INSURANCE CONTRACT to join the INSURER in any action against the INSURED to determine the INSURED'S liability. The INSURER shall not be implicated by or on behalf of the INSURED.

CONDITION XV -- ARBITRATION

In the event of any dispute between the **INSURED** and the **INSURER**, with respect to any matter concerning this reinsurance, both parties agree that, upon demand of either, the matter or matters upon which the **INSURED** and the **INSURER** do not agree shall be settled by arbitration in accordance with the rules of the American Arbitration Association. Judgment upon the award rendered by such arbitrators may be entered in any court having jurisdiction. The **INSURED** and the **INSURER** each agree to be bound to the findings of such arbitrators.

CONDITION XVI -- CHANGES

A. Notice to or knowledge possessed by anyone shall not

1. effect a waiver of any of the **CONDITIONS** of this **INSURANCE CONTRACT**,
2. effect a change in any part of this **INSURANCE CONTRACT**, or
3. stop the **INSURER** from asserting any rights under this **INSURANCE CONTRACT**.

The **CONDITIONS** of this **INSURANCE CONTRACT** shall not be waived or changed except by written endorsement, which endorsement is signed by an authorized representative of the **INSURER** and issued to form a part of this **INSURANCE CONTRACT**.

CONDITION XVII -- ASSIGNMENT

This **INSURANCE CONTRACT** shall not be assignable without the prior, written permission of the **INSURER**, which written permission shall be evidenced by written endorsement attached hereto.

CONDITION XVIII -- TERMINATION

A. This **INSURANCE CONTRACT** may be terminated

1. by or on behalf of the **INSURED** by

   a. surrender thereof to the **INSURER** or any of its authorized representatives, or
   b. mailing to the **INSURER** written notice, which notice shall state when thereafter such termination shall be effective, or

2. by or on behalf of the **INSURER**,
   (1) non-payment
   (2) failure to comply with any **CONDITION** of this **INSURANCE CONTRACT**,
   (3) termination of any services of the **SERVICE COMPANY**,
   (4) fraud, or
   (5) material misrepresentation

   by mailing to the **INSURED**, and at the mailing address stated herein, written notice, which notice shall state when, not less than ten (10) days thereafter, such termination shall be effective.

B. Any mailing of notice, as aforesaid, shall be sufficient proof of notice, and delivery of such written notice by or on behalf of the **INSURED** or the **INSURER** shall be equivalent to mailing. The time of surrender or the effective date and hour stated in the notice, whichever is applicable, shall become the end of the **INSURANCE CONTRACT PERIOD**.

C. If termination is effected by or on behalf of the **INSURED**, earned premium shall be calculated in accordance with the customary short rate table and procedure, but if termination is effected by or on behalf of the **INSURER**, earned premium shall be computed pro-rata. Premium adjustment shall be subject to the **MINIMUM AND FULLY EARNED PREMIUM** and may be made either at the time that termination is effected or as soon as practicable thereafter, but payment or tender of unearned premium shall not be a condition to termination. The check of the **INSURER** or of any of its authorized representatives shall be payment in full of any return premium due. payment or tender for the account of the **INSURED** shall be payment to all interests. If this **INSURANCE CONTRACT** insures more than one **INSURED**, notice and payment or tender to any of such **INSUREDS** shall be notice and payment to all interests. If, at the time that termination becomes effective, the **INSURER'S** aggregate **INSURANCE LIMIT** is exhausted by payment or award or reserve for judgments or settlements, or otherwise, then all premium shall be fully earned and due and no return premium shall be due.

CONDITION XIX -- FRAUD OR MISREPRESENTATION

In the event that any **INSURED** or any officer, director, trustee or representative of the **INSURED** shall knowingly and in any way

A. falsify any claim, suit or other action or proceeding,
B. falsify any material statement,
C. falsify any material representation, or
D. partake in or acquiesce to any of the foregoing, then solely as respects such **INSURED**, the reinsurance afforded by this **INSURANCE CONTRACT**, and all rights resulting therefrom, shall be null and void. The **INSURER** shall have the right at its option to terminate the entire **INSURANCE CONTRACT**.

CONDITION XX -- DECLARATIONS, SUBMISSION MATERIALS, AND ACCEPTANCE

By acceptance of this **INSURANCE CONTRACT**,

A. the **INSURED**,
B. the **SERVICE COMPANY**, and

C. all officers, directors, trustees and representatives of either or both of the above,
agree and affirm that each of the persons or other entities named in the **DECLARATIONS**

1. is a qualified self-insurer, and
2. will operate, with and within the permission of the proper authorities, as a qualified self-insurer with respect to the **WORKERS' COMPENSATION ACT** of each and every of the states designated in Endorsement # SNS 1002, Item # -3-,

D. the **INSURED** and all officers, directors, trustees and representatives of the **INSURED** agree and affirm that

1. all statements or representations made in the **DECLARATIONS** are each of their statements, agreements and representations,
2. all statements or representations made in the **SUBMISSION MATERIALS** are each of their statements, agreements and representations,
3. this **INSURANCE CONTRACT** is issued and continued by the **INSURER** in reliance upon the truth and completeness of each and every of such statements, agreements, and representations, and
4. this **INSURANCE CONTRACT** embodies all agreements among and between the **INSURED**, the **INSURER** and all representatives of either or both, as respects all aspects of the insurance afforded hereunder.

STAR
INSURANCE
COMPANY
A member of Meadowbrook Insurance Group

SELF-INSURED RETENTION ENDORSEMENT
(Expenses Included in SIR)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

COMMERCIAL AUTOMOBILE COVERAGE PART.

1. In consideration of the premium charged and as a condition to the issuance and continuation of the Policy, it is agreed that the NAMED INSURED shall retain, as a self-insured retention, per occurrence and as respects combined insured damages and insured allocated costs and expenses of investigation, defense, negotiation and settlement applicable to such damages, the sum of $$1,000,000 (ONE MILLION) DOLLARS FOR GENERAL LIABILITY. $350,000 (THREE HUNDRED FIFTY THOUSAND DOLLARS FOR WORKERS' COMPENSATION. The company's limit of liability, as stated elsewhere in the Policy, shall apply solely in excess of the NAMED INSURED'S self-insured retention. Allocated costs and expenses of investigation, defense, negotiation and settlement shall not include any costs or expenses of any

A. claims management or service company of any INSURED, or

B. wages or salaries of any employee of any INSURED, or

C. operating expenses of any INSURED.

2. In the event that any combined insured damages and insured allocated costs and expenses, as aforementioned, exceed, per occurrence, the NAMED INSURED'S self-insured retention and involve the liability of the company, then, solely as respects each such occurrence, the company will pay, in addition to its otherwise applicable limit of liability, all supplementary payments, as defined in the Supplementary Payments Conditions of the Policy, except that the company shall not, at any time, be obligated to pay any costs or expenses of any

A. claims management or service company of any INSURED, or

B. wages or salaries of any employee of any INSURED, or

C. operating expenses of any INSURED.

3. The limit of the company's liability for all damages under all BODILY INJURY and PROPERTY DAMAGE liability coverages provided in this Policy, including damages for care and loss of services, shall not be greater than the $1,000,000 (ONE MILLION) DOLLARS per Occurrence and the sum of $2,000,000 (TWO MILLION) DOLLARS in the Aggregate. Workers' Compensation is STATUTORY.

4. In the event of any occurrence which, in the opinion of any INSURED, is likely to give rise to liability under this Policy, no costs or expenses, other than for immediate first aid to others, shall be incurred by any INSURED, except at his or her own cost, peril and expense, without the written consent of the company. The NAMED INSURED shall be obligated to

A. provide an adequate defense and investigation of any action for or notice of any actual, potential or alleged damages, and

B. accept any reasonable offer or settlement within the NAMED INSURED'S self-insured retention,

and, in the event of any NAMED INSURED'S failure to comply with any part of this paragraph, the company shall not be liable for any damages or costs or expenses resulting from any such occurrence.

5. The company may, at its sole option, pay, as damages, costs and expenses, any part or all of the NAMED INSURED'S self-insured retention in order to effect settlement of any and all actions against any INSURED and, upon notice to any NAMED INSURED of the company having done so, the NAMED INSURED shall, within ten (10) calendar days of sending of such notice, fully reimburse the company.

STAR
INSURANCE
COMPANY
A member of Meadowbrook® Insurance Group

TEXAS POLICYHOLDER NOTICE

Notice of Toll Free Telephone Numbers & Procedures for Obtaining Information & Filing Complaints

IMPORTANT NOTICE

To obtain information or make a complaint, or for premium disputes or presenting a claim:

1. You may call the following toll-free telephone number for general pollicyholder assistance:

   1-800-604-9273

2. You may also call the following company toll-free telephone number to submit a claim or to make a complaint:

   1-800 604-9273

3. You may contact the Texas Department of Insurance to obtain information on companies, coverages, rights or complaints at:

   1-800-252-3439

4. You may write the Texas Department of insurance at:

   P.O. Box 149104
   Austin, TX 78714-1771

5. **PREMIUM OR CLAIM DISPUTES**: Should you have a dispute concerning your premium or about a claim, you should contact your agent or company representative first. If the dispute is not resolved, you may contact the Texas Department of Insurance.

6. **ATTACH THIS NOTICE TO YOUR POLICY**: this notice is for information only and does not become a part or condition of the attached document.

STAR
INSURANCE
COMPANY
A member of Meadowbrook® Insurance Group

STAR INSURANCE COMPANY

GENERAL ENDORSEMENT

This Endorsement effective January 1, 2008, 12:01 a.m. Standard Time forms a part of Policy Number: CP 02677 76 issued to the Hidalgo County, TX.

It is understood and agreed that the policy to which this endorsement is attached shall not be cancelled, non-renewed or materially changed until **90 days** after written notice of such cancellation, non-renewal or material change has been given to the **First Named Insured** at the address shown on the declaration page, except for nonpayment of premium.

All Other Terms and Conditions of this Policy Remain Unchanged

STAR
INSURANCE
COMPANY
A member of Meadowbrook® Insurance Group

STAR INSURANCE COMPANY

GENERAL ENDORSEMENT

This Endorsement effective January 1, 2008, 12:01 a.m. Standard Time forms a part of Policy Number: CP 02677 76 issued to the Hidalgo County, TX.

INADVERTENT E & O IN APPLICATION

It is understood and agreed that (1) failure of the insured to disclose all hazards existing as of the inception or renewal dates of this policy or to comply with any provisions of this policy, or (2) errors or omissions in applications, declarations, schedules, endorsements or other documents, shall not prejudice the insured with respect to the coverage afforded by the policy, as long as such failure, error or omission is unintentional and is corrected or complied with as soon as practical after it has been brought to the attention of the Risk Manager.

All Other Terms and Conditions of this Policy Remain Unchanged

STAR
INSURANCE
COMPANY
A member of Meadowbrook® Insurance Group

STAR INSURANCE COMPANY

GENERAL ENDORSEMENT

This Endorsement effective January 1, 2008, 12:01 a.m. Standard Time forms a part of Policy Number: CP 02677 76 issued to the Hidalgo County, TX.

Knowledge of Occurrence

Knowledge of an "occurrence," claim, or "suit" by an agent, servant, or employee of any insured; and receipt of any demand, notice, summons, or other legal paper in connection with a claim or "suit" by any agent, servant, or employee of any insured shall not in itself constitute knowledge of the insured or receipt by the insured unless an individual in one of the positions listed below shall have such knowledge or shall have received such demand, notice, summons, or legal paper from the agent, servant, or employee.

Scheduled Positions

Risk Manager

_____

_____

All Other Terms and Conditions of this Policy Remain Unchanged

STAR
INSURANCE
COMPANY
A member of Meadowbrook® Insurance Group

STAR INSURANCE COMPANY

GENERAL ENDORSEMENT

This Endorsement effective January 1, 2008, 12:01 a.m. Standard Time forms a part of Policy Number: CP 02677 76 issued to the Hidalgo County, TX.

Notice of Occurrence

It is understood and agreed that:

Your failure to give first report of a claim to us shall not invalidate coverage under this policy if the loss was inadvertently reported to another insurer. However, you shall report any such occurrence to us within a reasonable time once you become aware of such error.

All Other Terms and Conditions of this Policy Remain Unchanged

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 02/06/08

PRODUCER 1-818-539-2300
Arthur J. Gallagher & Co.
Insurance Brokers of California, Inc., License #0726293
505 North Brand Boulevard
Suite 600
Glendale, CA 91203-3944

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
TRISTAR Insurance Group, Inc.

100 Oceangate Avenue, Suite 700

Long Beach, CA 90802

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Federal Ins Co	20281
INSURER B: Hartford Underwriters Ins Co	30104
INSURER C: American Home Assur Co	19380
INSURER D: American Intl Specialty Lines Ins Co	26883
INSURER E: Travelers Cas & Surety Co	19038

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 LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY	35848060	05/01/07	05/01/08	EACH OCCURRENCE	$1,000,000
		[X] COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurence)	$1,000,000
		[ ] CLAIMS MADE [X] OCCUR				MED EXP (Any one person)	$10,000
		[X] Incl. Contractual Liab				PERSONAL & ADV INJURY	$1,000,000
		[ ]				GENERAL AGGREGATE	$2,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER:				PRODUCTS - COMP/OP AGG	$
		[ ] POLICY [ ] PRO-JECT [X] LOC					
B		AUTOMOBILE LIABILITY	72EUCTQ5461	05/01/07	05/01/08	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
		[X] ANY AUTO				BODILY INJURY (Per person)	$
		[ ] ALL OWNED AUTOS				BODILY INJURY (Per accident)	$
		[ ] SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	$
		[ ] HIRED AUTOS					
		[ ] NON-OWNED AUTOS					
		[ ]					
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		[ ] ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
C		EXCESS/UMBRELLA LIABILITY	BE0848143	05/01/07	05/01/08	EACH OCCURRENCE	$5,000,000
		[X] OCCUR [ ] CLAIMS MADE				AGGREGATE	$5,000,000
							$
		[ ] DEDUCTIBLE					$
		[X] RETENTION $ 10,000					$
C		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WC3426755 AOS	01/01/08	01/01/09	[X] WC STATU-TORY LIMITS [ ] OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$1,000,000
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$1,000,000
						E.L. DISEASE - POLICY LIMIT	$1,000,000
D		OTHER Errors & Omissions	000102384	01/31/08	01/31/09	E&O Aggregate	10,000,000
						Each Wrongful Act	10,000,000
E		Crime	104864721	01/31/08	01/31/09	Crime Aggregate	5,000,000

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

Certificate Holder, County of Hidalgo, is included as Additional Insured under General Liability, as their interest may appear, regarding the operations of the Named Insured, per attached form 80-02-2002(4-01).

CERTIFICATE HOLDER

County of Hidalgo
Purchasing Dept.
Attn: Vangie Garcia
2812 S. Highway 281

Edingburg, TX 78539
USA

CANCELLATION

*10 day notice for non-payment of premium

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

© ACORD CORPORATION 1988

I. **Auditor's Office**

1. **A. Requesting exemption from competitive bidding requirements under Texas Local Government Code, Section 262,024 (a)(7((A) 'an item that can only be obtained from a sole source because of the existence of patents, copyrights (i.e. proprietary software) in connection with maintenance and support services of the financial accounting and human resources system software for the Hidalgo County Auditor's Office;**

On motion of Commissioner Garza, seconded by Commissioner Flores, the Court made a UNANIMOUS vote of approval.

B. Presentation for discussion, consideration and approval of a "Sole Source Declaration" with authority to purchase and enter into a 12-month renewal maintenance and support services agreement with "WEIDENHAMMER SYSTEMS CORP." fka, Information Design Inc. (IDI) for the Auditor's Department - Requisition #123985 in an amount not to exceed $32,370.00 for the year - effective: 01/01/08 - 12/31/08.

On motion of Commissioner Handy, seconded by Judge Salinas, the Court made a UNANIMOUS vote of approval.

15. **Budget & Management - Valde Guerra:** (SEE EXHIBIT R)

A. **Presentation regarding the upcoming 10K/2Mile Run/Walk-David Chavana**

Presentation made in Open Forum.

B. **Requesting approval to authorize County Auditor to issue payment to McGriff, Seibels & Williams of Texas, Inc. for the Workers' Compensation Excess Insurance in the amount of $ 146, 750.00 for policy term January 1, 2008 thru January 1, 2009.**

On motion of Commissioner Handy, seconded by Commissioner Flores, the Court made a UNANIMOUS vote of approval.

C. **Health Insurance Division:**
Approval of 2007 appropriation of funds for the Health Benefits fund (2201) in the total amount of $209,347.14.

On motion of Commissioner Flores, seconded by Commissioner Handy, the Court made a UNANIMOUS vote of approval.

D. **Approval of 2007 interdepartmental transfer from Countywide Administration - Contingency to Autopsies - Autopsy Services (1100) in the amount of $4,000.00.**

On motion of Commissioner Handy, seconded by Commissioner Flores, the Court made a UNANIMOUS vote of approval.

AI-7479 **15.B.**

Workers' Compensation Excess Insurance Invoice
CC REGULAR

Date: 01/22/2008
Submitted By: Flora Vazquez, WORKERS' COMPENSATION
Department: WORKERS' COMPENSATION
Agenda Area: Budget and Management

Information

CAPTION

Requesting approval to authorize County Auditor to issue payment to McGriff, Seibels & Williams of Texas, Inc. for the Workers' Compensation Excess Insurance in the amount of $ 146, 750.00 for policy term January 1, 2008 thru January 1, 2009.

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:** 8-2202-419-50-115-066-0-524
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**
BUDGETARY IMPACT:
Available balance is $250,000.00 as of 1/15/08.

Attachments

Link: invoice

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	01/15/2008 09:40 AM	APRV
2	Dale Kennan		01/18/2008 05:16 PM	PEND
3	Auditor's Office		01/18/2008 05:16 PM	NEW

Form Started By: Flora Vazquez Started On: 01/14/2008 02:51 PM
Final Approval Date: 01/18/2008

7. **Presentation for discussion, consideration and approval for Hidalgo County to exercise the option to renew for an additional one (1) year term (as provide in contract) with NTC Drug Testing Services.**

   On motion of Commissioner Handy, seconded by Commissioner Flores, the Court made a UNANIMOUS vote of approval.

8. **Requesting authority to advertise and approval of qualifications, requirements and scopes of services as attached hereto for: "Hidalgo County Pool for Professional Services" for the following:**

   -Engineering Services (RFQ No. 2008-001-01-16-VYG)
   -Architectural Services (RFQ No. 2008-002-01-1 6-MSS)
   -Construction Materials Testing Services (RFQ No. 2008-003-01-16-ROL)
   -Real Estate Appraisers (RFQ NO. 2008-004-01-1 6-OTM)
   -Surveyors (RFQ No. 2008-004-01-16-OTM)

   for selection on an "as needed basis" (through a grading/scoring, ranking, negotiation protocol- as established by CC) per project by Hidalgo County Commissioners Court, Precincts, all County Departments and/or applicable Programs or Agencies requiring said services as set forth

   On motion of Commissioner Handy, seconded by Commissioner Flores, the Court made a UNANIMOUS vote of approval.

9. **A. Presentation for discussion, consideration and action to accept final negotiations (including best and final offer), and award of sole response received for RFP NO: "2007-445-12-05-VYG-Hidalgo County's Excess Workers Compensation Insurance" with McGriff, Seibels & Williams**
   (previously ranked as "qualified" to proceed w/neg. by CC on 12/11/07);

   On motion of Commissioner Flores, seconded by Commissioner Handy, the Court made a UNANIMOUS vote of approval.

   B. Requesting approval to purchase the insurance coverages and/or services for: RFP NO: 2007-445-12-05-VYG-Hidalgo County Excess Workers Compensation Insurance as described in the "RFP Proposal-Premium & Fee Schedule" as submitted by and through "McGriff, Seibels & Williams".

   On motion of Commissioner Palacios, seconded by Commissioner Flores, the Court made a UNANIMOUS vote of approval.

10. **Recommending bid award to the bidder meeting all specifications and/or requirements for RFB- Precast Safety End Treatments for Hidalgo County and approval of contract, subject to legal review.(bid no.: 2007-117)**

    On motion of Commissioner Handy, seconded by Commissioner Palacios, the Court made a UNANIMOUS vote of approval.

AI-7109 **11.A.9.**

Excess Workers Compensation Insurance
CC REGULAR

Date: 12/26/2007
Submitted By: Vangie Garcia, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Hidalgo County

Information

CAPTION

A. Presentation for discussion, consideration and action to accept final negotiations (including best and final offer), and award of sole response received for RFP NO: "2007-445-12-05-VYG-Hidalgo County's Excess Workers Compensation Insurance" with McGriff, Seibels & Williams (previously ranked as "qualified" to proceed w/neg. by CC on 12/11/07);

B. Requesting approval to purchase the insurance coverages and/or services for: RFP NO: 2007-445-12-05-VYG-Hidalgo County Excess Workers Compensation Insurance as described in the "RFP Proposal-Premium & Fee Schedule" as submitted by and through "McGriff, Seibels & Williams".

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2007 **ACCT. #:** 7-2202-419-50-115-066-0-524
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Available balance is $146,750.00 as of 12/14/07. Original 2007 budget was $240,000.00 (presume similar funding in 2008)

Attachments

Link: McGriff's Response On Best And Final Offer
Link: McGriff's Premium & Fee Schedule

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	12/14/2007 12:52 PM	APRV
2	Budget & Management	Dina Trevino	12/14/2007 01:58 PM	APRV
3	Dale Kennan	Dale Kennan	12/14/2007 02:38 PM	APRV
4	Auditor's Office	Arcilia Duran	12/14/2007 04:47 PM	APRV
5	Court Administrator	Monica Badillo	12/14/2007 05:09 PM	APRV

Form Started By: Vangie Garcia Started On: 12/13/2007 03:13 PM
Final Approval Date: 12/14/2007

McGRIFF, SEIBELS & WILLIAMS OF TEXAS, INC.
5949 Sherry Lane, Suite 1300 / Dallas, Texas 75225
TEL - (469) 232-2100 FAX - (469) 232-2101
404 E. Ramsey Road, Suite 211 / San Antonio, Texas 78216
TEL - (210) 695-8582 FAX - (210) 695-8583

INVOICE

INVOICE DATE	INVOICE NUMBER
1/03/08	17059
ASSURED NUMBER	**AGENT**
32 053600-000	3298-3298
TRANSACTION DATE	
1/01/08	

Fontenot, Johnny

County of Hidalgo, Texas
100 E. Cano, 2nd Floor
Attn: County Judge
Edinburg, TX 78539

Policy Number- CP 0267776
Policy Term- 1/01/08 TO 1/01/09
Renewal Policy

Company- STAR INSURANCE COMPANY
Coverage- Excess Liability Package
Excess Workers' Compensation

PREMIUM 146,750.00

Excess Workers' Compensation Coverage

INVOICE DATE	INVOICE NUMBER
1/03/08	17059

AMOUNT DUE	$146,750.00

REMIT TO: MCGRIFF, SEIBELS & WILLIAMS, INC., DRAWER #456, P.O. BOX 11407, BIRMINGHAM, AL 35246-0456

AI-11400 **19.A.7.**

Impoundment and Quarantine of Small Animals within Hidalgo County
CC REGULAR

Date: 09/30/2008
Submitted By: Moises Salazar, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Hidalgo County

Information

CAPTION

A. Requesting exemption from competitive bidding requirements under Texas Local Government Code, Chapter 262, Section .024 (a)(2), an item necessary to protect the health and safety of the residents of the County;
B. Requesting approval of a short term agreement (until completion of procurement process and award of new contract)with current provider-Palm Valley Animal Center under the same rates, terms and conditions for the provision of statutory services required by Hidalgo County for: Impoundment and Quarantine of small animals within the unincorporated areas of Hidalgo County including an emergency disaster related plan.
C. Presentation, discussion, consideration and approval if applicable for sole bid #2008-239-09-10-MSS received for "Impoundment and Quarantine of small animals within Hidalgo County" to include but not limited to the following options:

1. Award of sole bid received from Palm Valley Animal Center including approval of contract document (approved as to form by legal counsel) in the amount of $400,000.00; or, in the alternative,
2. Reject the sole bid received with authority to re-advertise project with modification of specifications to allow for multiple year/term options with pricing.

BACKGROUND

Only one bid was received.
Project has been advertised three (3) times.

Fiscal Impact

FISCAL YEAR: **ACCT. #:** 8-1100-461-00-115-038-0-350
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Available balance as of 09/26/08 $49,999.97. Short term contractual obligations will be for the remaining months of 2008 at a pro-rated amount. A Possible additional funding source will be 8-1100-415-00-115-002-0-899.

Attachments

Link: 08-239
Link: 08-239

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 05:42 PM	APRV
2	Budget & Management	Veronica Lopez	09/26/2008 07:39 AM	APRV
3	Rey Salazar	Rey Salazar	09/26/2008 04:26 PM	APRV
4	Erika Reyna	Erika Reyna	09/26/2008 05:03 PM	APRV
5	Rey Salazar	Rey Salazar	09/26/2008 05:19 PM	APRV
6	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Moises Salazar Started On: 09/24/2008 05:35 PM

Final Approval Date: 09/26/2008

HIDALGO COUNTY PURCHASING DEPARTMENT
BID TABULATION SHEET

DEPARTMENT NAME: HIDALGO COUNTY

BID OPENING DATE: SEPTEMBER 10, 2008 **NEW OPENING DATE:** **September 24, 2008**	**BID OPENING TIME: 9:30 A.M.**

DESCRIPTION OF BID: "IMPUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"

BID NO:2008-239-09-10-MSS	**BUYER: MOISES SALAZAR**

	NAME OF COMPANY	UNIT PRICE	TOTAL PRICE	Addendum No. 1
#1	Palm Valley Animal Cntr.		$400,000.00 yr	✓
#2				
#3				
#4				
#5				
#6				
#7				

Hidalgo County Purchasing Department
Bid Opening Sign In

Date: September 24, 2008

	Please Print Name	Company Name
1.	Pedro Saenz	SAENZ UTILITY
2.	JUAN MENDOZA	J M. Construction
3.	Jesse Villegas Jr	Dannenbaum Engineering
4.	RENE De La Cruz	The Real Estate Center, Inc
5.	Kay Jarreau	[illegible]
6.	Roger V Gonzales	Rio Valley Pipe, LLC
7.	Jaime Cordova	Valley Paving
8.	Eleazar Villarreal	S125 CO
9.	Raul Iglesias	Asago Construction
10.	Oscar Cuellar Jr	City of Penitas
11.	Marco Ochoa	City of Pharr
13.	Javier Hinojosa	Javier Hinojosa Engineering
14.		

Bid #	Description
1. 2008-239-09-10-MSS	Impoundment and Quarantine of small animals within Hidalgo County
2. 2008-355-09-24-OTM	Lubricants (Grease, Oil, Hydraulic Fluids) and Anti-Freeze products
3. 2008-162-09-24-OTM	Off Premises storage, records management, pickup, retrieval & delivery Services
4. 5007-91-0315-5000-9100-GVG	Precinct No. 1 – Fire Station Equipment Purchase
5. 2008-357-09-24-OTM	Additional Expansion of Professional Real Estate Appraisers
6. 5004-05-55-0311-5000-5500-ML	City of Palmview-Sun Valley Access Road Street Improvement Project

Hidalgo County Purchasing Department
Bid Opening Sign In

Date: September 24, 2008

	Please Print Name	Company Name
1.	Norma Garza	Co. Clerk
2.		
3.		
4.		
5.		
6.		
7.		
8.		
9.		
10.		
11.		
13.		
14.		

Bid #

1. 5004-07-93-0311-5000-9300-ML
2.
3.
4.
5.
6.

Description

Precinct 3 for City of Peñitas Street Improvements – Camargo Subdivision

PURCHASING DEPARTMENT
County Of Hidalgo

September 9, 2008

RE: ADDENDUM NO.1
FOR BID No.: 2008-239-09-10-MSS
"HIDALGO COUNTY - IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY.

Dear Gentlemen:

Attached you will find **ADDENDUM NO. 1, PAGE 1 OF 1** in connection with **HIDALGO COUNTY** - request for bids for **"IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY".**

Please add this **ADDENDUM NO. 1** to your bid packet so as to permit your company to submit a complete bid. See original bid packet LEGAL NOTICE page 3 paragraph 9.

Acknowledge receipt of **ADDENDUM NO. 1** by signing and returning this notice to us VIA FAX AT (956) 318-2629.

If you do not receive all pages of **ADDENDUM NO. 1** please notify us immediately at (956) 318-2626.

Please be advised that this **ADDENDUM NO. 1** will complete your bid packet for **"HIDALGO COUNTY-IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY".**

Thank you for your prompt attention to this matter.

Martha L. Salazar, CPPB
Hidalgo County Purchasing Agent

BY: _____

ADDENDUM NO. 1
ACKNOWLEDGMENT OF RECEIPT

MLS/ms

Enclosures

★ Edinburg, Texas 78539 ★ (956) 318-2626 ★ Fax (956) 318-2629

RECEIVED
SEP 24 2008
By

ADDENDUM NO. 1

September 9, 2008

"HIDALGO COUNTY-
IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY
BID NO.: 2008-239-09-10-MSS
Bid Opening Date: ~~September 10, 2008~~

NEW BID OPENINGS DATE: September 24, 2008

PLEASE NOTE CHANGES AS FOLLOWS:

No. 1 **EXTENSION OF BID OPENINGS DATE**

FROM: **SEPTEMBER 10, 2008**

TO: **SEPTEMBER 24, 2008**

One (1) original and Three (3) copies of all bids are required with the bidders name and return address clearly typed and or/printed on upper left hand corner and the proper notation clearly typed/printed on the lower left hand corner of the envelope and/or package: **"RFB No. 2008-239-09-10-MSS- HIDALGO COUNTY-Impoundment and Quarantine of Small Animals within Hidalgo County"** and at County's Purchasing Department with a physical address: 2802 S. Business 281 and a mailing address: 2812 S. Business Hwy 281, New Administration Building, Edinburg, Texas, **on or before 9:30 A.M. (NEW DATE) WEDNESDAY, SEPTEMBER 24, 2008. NO FACSIMILES OR LATE ARRIVALS WILL BE ACCEPTED. ANY RFB RECEIVED AFTER THAT TIME WILL NOT BE OPENED AND WILL BE RETURNED. OVERNIGHT MAIL MUST ALSO BE PROPERLY LABELED ON THE OUTSIDE OF EXPRESS ENVELOPE OR PACKAGE WITH REFERENCE TO "RFB No.-2008-239-09-10-MSS -HIDALGO COUNTY—IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY ".**

I, DARIN L. LANDRUM, acknowledge receipt of ADDENDUM NO. 1 dated, September 9, 2008, for RFB-"HIDALGO COUNTY –IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY", bid opening date modifications.

PALM VALLEY ANIMAL CENTER
Printed Bidder Name

9-24-08
Date

NOTE: PLEASE SUBMIT THIS ADDENDUM WITH YOUR BID PACKET, IN ORDER TO COMPLETE THE BID.....

PURCHASING DEPARTMENT
County Of Hidalgo

SEP 24 2008

REQUEST FOR BID (RFB)
CHECKLIST
HIDALGO COUNTY
"IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"
Bid No: 2008-239-09-10-MSS

1. **Request for Bid Letter, consisting of 1 page.**
2. **Request for Bid, Legal Notice, consisting of 8 pages.**
3. **Exhibit "A" Specifications, consisting of 3 pages.**
4. **Exhibit "B" Bid Page, consisting of 1 page.**
5. **Exhibit "C" Insurance Requirements, consisting of 3 pages.**
6. **Exhibit "D" CIQ Conflict of Interest Questionnaire, consisting of 1 page.**
7. **Vendor/Bidder Application, consisting of 2 pages.**
8. **W-9 form, consisting of 4 pages.**
9. **Certification Regarding Debarment, consisting of 1 page.**
10. **Draft Service Contract, consisting of 7 pages.**

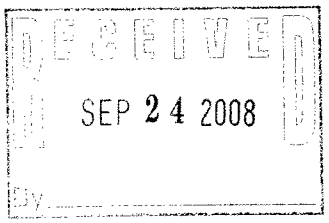
The above mentioned items shall be found in the Request for Bid (RFB) packet that is attached herewith. Should you find that any of the items are not attached in its entirety please contact Purchasing by calling (956) 318-2626, advise of missing documentation, and Purchasing will forward information either through facsimile or by U.S. Mail.

Thank you.

Martha L. Salazar, CPPB
Purchasing Agent

August 25, 2008
Date

Bid No:2008-239-09-10-MSS	Buyer: Moises Salazar	Tel. No: (956) 318-2626 ext 4863



REQUEST FOR BIDS

HIDALGO COUNTY
"IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"

BID OPENING DATE:

September 10, 2008

Contact Person:

Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Physical Address: 2802 S. Business Hwy. 281 -New Administration Building
Mailing/Postal Address: 2812 S. Business Hwy. 281
Edinburg, Texas 78539
956 318-2626

Form HCPD-03

1. Sealed bids will be received for **"HIDALGO COUNTY –IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"** in accordance with the specifications attached as Exhibit "A" hereto. Bids should address all specifications set forth. Bidders may suggest substitutions of features which they feel would be in the best interest of Hidalgo County ("County"). Strong rationale must be presented for any deviation from the specifications. Hidalgo County reserves the right to reject the deviation and its effect on the overall bid.

2. One (1) original and Three (3) copies of all bids are required with the bidders name and return address clearly typed and or/printed on upper left hand corner and the proper notation clearly typed/printed on the lower left hand corner of the envelope and/or package: **"RFB No. 2008-239-09-10-MSS- HIDALGO COUNTY-Impoundment and Quarantine of Small Animals within Hidalgo County"** and at County's Purchasing Department with a physical address: 2802 S. Business 281 and a mailing address: 2812 S. Business Hwy 281, New Administration Building, Edinburg, Texas, **on or before 9:30 A.M, WEDNESDAY, SEPTEMBER 10, 2008. NO FACSIMILES OR LATE ARRIVALS WILL BE ACCEPTED. ANY RFB RECEIVED AFTER THAT TIME WILL NOT BE OPENED AND WILL BE RETURNED. OVERNIGHT MAIL MUST ALSO BE PROPERLY LABELED ON THE OUTSIDE OF EXPRESS ENVELOPE OR PACKAGE WITH REFERENCE TO "RFB No.-2008-239-09-10-MSS -HIDALGO COUNTY-–IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY ".**

   Hidalgo County reserves the right to refuse and reject any/all RFB and to waive any/all formalities or technicalities, or to accept the RFB considered the best and most advantageous to Hidalgo County.

3. Hidalgo County reserves the right to: A. separate and accept, or eliminate any item(s) listed under this bid that it deems necessary to accommodate budgetary and/or operational requirements; B. reject any or all bids submitted and further reserves the right to design the evaluation criteria to be used in selecting the lowest and best bid for approval; and C. award the bid to one bidder or to multiple bidders if the County determines it is in its best interest to do so."

4. The Bidder shall not substitute items named in the bid without the express written consent of Hidalgo County. Failure of the delivered item(s) to perform as specified, or failure to meet the stated delivery schedule shall release Hidalgo County from all obligations to the contracting party with regard to the item(s) in question. In such event, County may elect to award the contract to the next-lowest responsible bidder, or to reject all bids and re-advertise.

5. For work to be performed at a County owned or operated location, each bidder shall, in its sole discretion, visit the job site before preparing the bid and thoroughly familiarize himself/herself with existing conditions. Bidder should take field dimensions and note all circumstances which affect the dollar amount of the bid.

6. Descriptive specifications are referenced in this document to indicate the general kind and quality of equipment desired by Hidalgo County. Due to various styles and models of equipment, bidders are required to include illustrations, specifications, explanation of warranties, and service data with their bid including catalogue numbers and any necessary references.

7. No bid may be withdrawn within thirty (30) days from the scheduled time to open bids.

8. Proposed prices are to remain firm for a minimum of ninety (90) days after bid opening.

9. Any interpretations, amendments, corrections or changes to this bid document must be in a written addendum and signed by the County Judge or his designee. Addenda will be mailed to all who are known to have received a copy of the Request for Bids. Bidders shall acknowledge receipt of all addenda as a part of their bid.

10. County reserves the right to accept or reject any or all bids.

11. Costs are to be net F.O.B., County Prepaid.

12. County is exempt from Federal Excise Tax, State Tax and Local Tax. Do Not include tax in cost figure. If it is determined that tax was included in the cost figures it will not be included in the tabulation of any awards. Tax exemption certificates will be furnished upon request.

13. Funds for this procurement have been provided through the County budget for this fiscal year only. County, on an annual basis, has the right to reconsider a contract during the budget process for ensuing years if financial resources of County are insufficient to meet the liabilities of said contract. The award of a bid or contract hereunder will not be construed to create a debt of the County which is payable out of funds beyond the current fiscal year.

14. Upon award and prior to execution of a contract, Sole Proprietorships are required to submit a copy of their social security cards to the Hidalgo County Auditor's Office in order to establish an account with the County. All awarded vendors must submit a completed W-9 and a copy o their Federal ID Number Certificate.

15. DELIVERY INSTRUCTIONS:

- No deliveries accepted after 3:00 P.M., Monday-Friday.
- At least seventy two (72) hours prior notice of delivery must be given to Martha L. Salazar, Purchasing Agent before delivery will be accepted.
- If you need additional information call the office listed below:

Hidalgo County Purchasing Department
Martha L. Salazar, Purchasing Agent
(956) 318-2626

16. BILLING AND PAYMENT INSTRUCTIONS:

- Invoices must include:
  a) Name and address of successful bidder
  b) Name and address of receiving department or official
  c) Purchase Order Number (if any)
  d) Notation - **"HIDALGO COUNTY—IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"** Descriptive information as to the items or services delivered, including product code, item number, quantity, etc.

- Discount payments will be considered when offered.

- Contact person for Billing and Payment questions:

Hidalgo County Auditor's Office
2808 S. Business Hwy 281
Edinburg, Tx 78539
(956) 318-2511

17. Schedule of Events

Bid Opening, 9:30 A.M.	**September 10 ,2008**
Award of Contract	_____, 2008
Commence Work or Deliver Products	**_____, 2008**

18. Bid or Performance Bond and Debarment Certification; Payment Under Contract:

- If the contract proposed is for the construction of public works or is for a contract for goods & services exceeding $100,000, all bidders shall furnish a good and sufficient bid bond in the amount of five percent of the total contract price. A bid bond must be executed with a surety company authorized to do business in Texas. All bidders are also required to furnish a certification or acknowledgment stating that the contractor or vendor is free from suspension or debarment pursuant to federal regulation 45CFR Part 76.

- Together with the signing of a contract or issuance of a purchase order following the acceptance of a bid, and prior to commencement of the actual work, the bidder shall furnish a performance bond to the County for the full amount of the contract, if that contract exceeds $50,000.

- If the contract is for $50,000 or less, no money will be paid to the contractor until completion and acceptance of the work or the fulfillment of the purchase obligation to the County, and, if applicable, the receipt by County of satisfactory evidence that all subcontractors and material men have been paid.

- If a contract is for the construction, alteration or repair of public buildings or public works, the contractor *shall* provide a payment bond for a contract in excess of Twenty Five Thousand Dollars ($25,000.00), as required by Tex. Govt. Code Ch. 2253.

- For requirements contracts, bond requirements are determined by applying the proposed unit price to the estimated quantities included in the specifications.

19. Ethical Standards:

- It shall be a breach of ethics to offer, give or agree to give any elected official, department head or employee, or former elected official, department head or employee, of the County, or for any elected official, department head or employee or former elected official, department head or employee of the County, to solicit, demand, accept or agree to accept from another person, entity or organization, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before any department or agency of the County.

- It shall be a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for the County, or any person associated therewith, as an inducement for the award of a subcontract or order.

- No public official shall have an interest in a contract awarded hereunder except in accordance with Tex. Loc. Govt. Code Chapter 171.

20. Disclosure of Conflict of Interest

- Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor, person, consultant or contractor considering doing business with Hidalgo County ("the County") to disclose in the Conflict of Interest Questionnaire (the "CIQ") attached as Exhibit D, the vendor, person, consultant or contractor's affiliation or business relationship that might cause a conflict of interest with the County. By law, the CIQ must be filed with the Hidalgo County Clerk's Office no later than the seventh business day after the date the person becomes

aware of facts that require that statement to be filed. The disclosure requirement applies to a person or business who contracts or seeks to contract with Hidalgo County for the sale or purchase of property, goods or service. Any purchase order or contract resulting from this process shall be considered null and void if the successful bidder fails to comply with Texas Local Government Code Chapter 176. Vendors, consultants, contractors and others who desire to conduct business with Hidalgo County are encouraged to refer to Texas Local Government Code Chapter 176 for the details of this law. An offense under Texas Local Government Code Chapter 176 is a Class C Misdemeanor.

Please Submit completed CIQ forms to the Hidalgo County Clerk's Office located at 100 N. Closner, Edinburg, Texas 78539-Hidalgo County Courthouse
COMPLETION AND SUBMISSION OF FORM CIQ IS THE SOLE RESPONSIBILITY OF THE PROSPECTIVE BIDDER.

21. If, during the life of any contract or bid awarded, the successful bidder's net prices generally available to other customers for items awarded herein are reduced below the contracted price, it is understood and agreed that the benefits of such reduction shall be extended to County.

22. Bids, and all goods and services provided hereunder, shall comply with all federal, state and local laws concerning this type(s) of goods and/or services.

23. Minimum Standards for Responsible Prospective Bidders: A prospective bidder must affirmatively demonstrate bidder's responsibility. A prospective bidder, by submitting a bid, represents to County that it meets the following requirements:

- Possess or is able to obtain adequate financial resources as required to perform under the bid;
- Be able to comply with the required or proposed delivery schedule;
- Have a satisfactory record of performance;
- Have a satisfactory record of integrity and ethics;
- Be otherwise qualified and eligible to receive an award.

24. Successful bidder will pay or cause to be paid, without cost or expenses to County, all FICA, FUTA/SUTA and Federal Income Withholding Taxes of all employees, and all wages and benefits as required by Federal or State law. Successful bidder's officers, agents and/or employees will not be entitled to any benefits of an employee or elected official of County, including, but not limited to, benefits associated with County's civil service system.

25. 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.

26. County reserves the right to enforce performance of any contract awarded hereunder in any manner prescribed by law or deemed to be in the best interest of the County in the event of breach or default by successful bidder; County reserves the right to terminate any contract immediately in the event a successful bidder fails to:

A. Meet schedules;
B. Pay any required fees or taxes; or
C. Otherwise perform in accordance with the specifications.

27. Successful bidder shall defend, indemnify and save harmless County and all its elected officials, officers, agents and employees from all suits, actions, or other claims of any character, name and description brought for or on account of any injuries or damages received or sustained by any person, persons, or property on account of any negligent act or fault of the successful bidder, or of any agent, employee, subcontractor or supplier of successful bidder in the execution of, or performance under, any contract which may result from bid award or which arises from any event or casualty happening on or within County premises themselves or happening upon or in any halls, elevators, entrances, stairways or approaches of or to such County facilities. Successful bidder shall pay any judgment with costs which may be obtained against County growing out of such injury or damages, and shall, upon request, provide a defense to County by counsel reasonably acceptable to County. Successful bidder's indemnity hereunder shall include, but is not limited to, claims relating to patent, copyright or trademark infringement, and the like, arising out of the goods and services provided by successful bidder.

28. Successful bidder shall warrant that all items/services shall conform with the specifications and/or all warranties provided under the Uniform Commercial Code and be free from all defects in material, workmanship and the like. Items supplied under a contract pursuant to this Request for Bids shall be subject to County's approval. Items found to be defective or not meeting specifications shall be replaced by successful bidder within two business days at no expense to County. Items not picked up within one (1) week after notification shall be deemed a donation to County and may be used or disposed of at County's discretion and without waiver of any other rights of County as to the item's nonconformity.

29. This document and any disputes arising hereunder shall be governed and construed according to the laws of the State of Texas, and will be performable exclusively in Hidalgo County, Texas.

30. The successful bidder shall not assign, sell, transfer or convey its rights under any awarded contract, in whole or in part, without the prior written consent of County.

Bid
for
HIDALGO COUNTY
"Impoundment and Quarantine of Small Animals within Hidalgo County"
BID NO.: 2008-239-09-10-MSS

To: Martha L. Salazar, CPPB, Purchasing Agent
Physical Address: 2802 S. Business Hwy. 281 -New Administration Building
Mailing/Postal Address: 2812 S. Business Hwy. 281
Edinburg, Texas 78539

In accordance with the Specifications, and subject to all laws and regulations of the United States and state and local laws, the undersigned bidder proposes and commits to furnish all labor, equipment, material, software and services as set forth in the documents hereinbefore mentioned. The undersigned bidder further agrees, upon acceptance of its bid, to execute a contract and/or Purchase Order issued by Hidalgo County for performing and completing the work described in the Specifications within the time stated and for the prices proposed in the documents attached hereto and made a part hereof.

Bidder acknowledges receipt of all of the pages of the documents referenced in the Invitation to Bid Checklist presented in connection with this procurement. Bidder understands that Hidalgo County reserves the right to reject any or all bids and further reserves the right to design the evaluation criteria to be used in selecting the lowest and best bid.

Bidder agrees that this bid shall be good and may not be withdrawn for a period of ninety (90) calendar days after the scheduled closing time for receiving bids, as contained in the Specifications.

Respectfully submitted,

Bidder: PALM VALLEY ANIMAL CENTER
Address: 2501 W. TRENTON
By: Darin L Landrum
Printed Name: DARIN L. LANDRUM
Title: EXECUTIVE DIRECTOR

EXHIBIT "A"

BID SPECIFICATIONS

HIDALGO COUNTY
"IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"

2008-239-09-10-MSS

EXHIBIT "A"

HIDALGO COUNTY-
"IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"
Bid No. 2008-239-09-10-MSS

SPECIFICATIONS

1. Provide a proper containment facility in which dogs, cats or other small animals (including certain native/wild species such as opossums, raccoons, etc.) that are picked-up in unincorporated/rural areas of Hidalgo County and may be impounded, quarantined, observed, tested, or destroyed in accordance with the requirements of the Texas Board of Health pursuant to Article 4477-6(a).

2. Provide adequate food, water, shelter, confinement and when indicated and directed by the Director of the Hidalgo County Health Department (Director), administer humane euthanasia to impounded or quarantined animals.

3. Provide facilities that are licensed by the Texas Department of Health to operate as a place where legal and healthful impounding or quarantining of animals may occur.

4. Provide proper space and facilities and impound or place in quarantine all animals required to be impounded or quarantined by the authority and direction of the County Medical Officer, County Health Department Director and any designated person working under the authority of the Director, and/or any County designated person charged with the enforcement of THSC Chapters 823 and 826 or other State or County regulations related to Animal Control. At no time shall Contractor refuse to house any such impounded or quarantined animals.

5. Maintain hours for receiving animals from County for impoundment or quarantine 24 hours a day, seven days a week

6. Provide facilities to incinerate or otherwise to dispose of dog, cat and other small animal carcasses with utilization of the sanitary landfill.

7. Attempt to reunite owners with impounded animals.

8. Assist County when requested in the investigation of animal cruelty.

9. Prepare and ship animal specimen(s)/head(s) to the Texas Department of Health Laboratory for examination (out-of-pocket cost for preparation and shipment to be borne by the owner of the animals or the contractor).

10. Collect proper charges assessed to the owner of an impounded or quarantined animal.

11. In the event of an "Emergency Disaster" relating to the evacuation and sheltering of *service animals* and *household pets*, will cooperate with County in developing an "Animal Disaster Emergency Plan" in a timely manner at no additional cost to the County in accordance with "Government Code-Section

418.043 (11)-Develop plans for the humane evacuation, transport, and temporary sheltering of ***"Service Animals"*** and ***"Household Pets"*** in a disaster as required by Sub-Chapter I and in compliance with applicable federal law;

"Government Code-Section 418.201"-Definition of this Section Code;
(1)"Household pet" means a domesticated cat or dog or other animal normally maintained in the home or on the property of either the owner or the caretaker of the animal. Does not include livestock as defined by Section 1.003, Agriculture Code.
(2)"Service Animal" has the meaning assigned for the purposes of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101 et. Seq.).

"Government Code-Section 418.202"-Evacuation Of Service Animals. Plans developed under Section 418.043(11) must require that:
(1) a person with a disability who uses a service animal be evacuated, transported, and sheltered with that service animal; and
(2)all shelters be informed of the obligation to provide shelter to both the person and the person's service animal.

"Government Code-Section 418.203"-Evacuation Of Household Pets. (a)Plans developed under Section 418.043 (11) must permit:
(1) The simultaneous evacuation of a household pet and the pet's owner or caretaker, if the evacuation can be made without endangering human life; and
(2) The transportation of a household pet using public transportation if:
(A) The pet is safely and securely confined in a cage or carrier designed for pet transport; and
(B) Transportation of the pet will not endanger human life
(C) The division shall coordinate the establishment of an identification system to enable the owner or caretaker of a household pet who is separated from the pet during a disaster evacuation to locate and reclaim the pet.

12. **Contractual Term:** Contract term will be for an initial Two (2) year period with Hidalgo County's option to extend the contract for an additional (1) year term based on prior year's performance evaluation and contingent upon cost remaining unchanged. Furthermore, Hidalgo County reserves the right to extend the contract 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 or extension of current contract commencing upon award by the Hidalgo County Commissioners' Court.

ADDITIONAL INFORMATION:

Further information required for this project can be addressed to, Moises Salazar, Buyer II, Hidalgo County Purchasing Department via e-mail to moises.salazar@co.hidalgo.tx.us or via fax to 956-292-7612. Hidalgo County is requesting that any and all questions, inquiries, and clarifications regarding quotes, bids, proposals, or statement of qualifications be addressed to Martha L. Salazar, Purchasing Agent, 2812 S. Business Hwy. 281, Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

ALL WRITTEN INQUIRIES WILL BE ACCEPTED VIA FACSIMILE NO LATER THAN, Wednesday *September 3, 2008 , 5:00 P.M.* Responses will be sent to all applicants via facsimile or e-mail by no later than, *5:00 P.M., Friday, September 5, 2008.*

EXHIBIT "B"

BID PAGE

HIDALGO COUNTY
"IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"

2008-239-09-10-MSS

EXHIBIT "B"

HIDALGO COUNTY-
"IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"
Bid No. 2008-039-09-10-MSS

BID PAGE

MONTHLY SERVICES FEE: _____

FEES PER YEAR: $ 400,000.00

BIDDER'S NAME: PALM VALLEY ANIMAL CENTER
ADDRESS: 2501 W. TRENTON
CITY/STATE/ ZIP CODE: EDINBURG, TX 78539
PHONE NUMBER: (956) 686-1141
FAX NUMBER: (956) 688-8336

AUTHORIZED SIGNATURE: Dawn L Landrum
PRINTED NAME: DAWN L. LANDRUM
TITLE: EXECUTIVE DIRECTOR
DATE: 9/08/08

EXHIBIT "C"

INSURANCE REQUIREMENTS

HIDALGO COUNTY
"IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"

2008-239-09-10-MSS

EXHIBIT "C"
Insurance Requirements

The Bidder awarded the contract shall furnish proof of insurance, which will also include any subcontractor that is subcontracted by the bidder in at least the following limits, to be in place prior to providing any services under this Contract and to continue at all times in force in effect during the term of this Contract:

1. A Five Hundred Thousand Dollar ($500,000.00) Comprehensive General Liability insurance policy providing additional coverage to all underlying liabilities of County.

2. Automobile liability insurance policy with limits of at least Three Hundred Thousand Dollars ($300,000.00) per person and Five Hundred Thousand Dollars ($500,000.00) per occurrence. Coverage should include injury to or death of persons and property damage claims with limits up to Five Hundred Thousand ($500,000.00) arising out of the services provided to County hereunder.

3. Uninsured/Underinsured motorist coverage in an amount equal to the bodily injury limits set forth immediately above;

4. Workers compensation insurance in amounts established by Texas law, unless the Bidder is specifically exempted from the Texas Workers Compensation Act, Texas Labor Code Chapter 401, et. seq.

Certificates of insurance naming County as an additional insured shall be submitted to County for approval prior to any services being performed by Contractor. Each policy of insurance required hereunder shall extend for a period equivalent to, or longer than the term of the Contract, and any insurer hereunder shall be required to give at least thirty (30) days written notice to the County prior to the cancellation of any such coverage on the termination date, or otherwise. This Contract shall be automatically suspended upon the cancellation, or other termination, of any required policy of insurance hereunder, and such suspension shall continue until evidence adequate replacement coverage is provided to County. If replacement coverage is not provided within thirty (30) days following suspension of the Contract, this Contract shall automatically terminate.

Insurance Requirement Acknowledgment

I, DARLIN L. LANDRUM, authorized representative for PALM VALLEY ANIMAL CENTER
Company/Vendor

hereby acknowledge receipt of the County's required insurance limits. Said requirements:

☐ will be acquired within 10 working days after notification from Purchasing Department of bid awarded by the Hidalgo County Commissioners' Court;

☐ will acquire additional amounts required to meet the County's requirements within 10 working days after notification from Purchasing Department of bid award by the Hidalgo County Commissioners' Court; currently carry the following:

Automobile Liability: $_____ General Liability: $

☑ have already been met, see attached copy of insurance certificate.

Darlin L Landrum
Authorized Representative

9/08/08
Date

Notice to Bidder:
A certificate of insurance for the required insurance limits shall be provided to the Purchasing Department's Contract Managers in order to qualify for award of bid and to execute a contract between your Company and the County

Failure to provide Certificates of Insurance to the Purchasing Department's Contract Managers will cause the bid award to be rescinded and re-awarded to next lowest bidder. Certificates of Insurance will be monitored and verified on a **quarterly basis** to ensure coverage policy is in place. It is the Company's obligation to maintain the appropriate insurance coverage throughout the term of the contract.

THIS FORM MUST ACCOMPANY BID PACKET

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 04/25/2008

PRODUCER (956)686-3888 FAX (956)682-5650
Shepard Insurance Agency
P O Box 4288
5801 N 10th #300
McAllen, TX 78502

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 Palm Valley Animal Center
2501 W Trenton St
Edinburg, TX 78539-8070

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: The Hartford	
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 LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [ ] PRO-JECT [ ] LOC	12SBMIF0389	11/17/2007	11/17/2008	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 100,000 $ 5,000 $ 1,000,000 $ 2,000,000 $ 1,000,000
A		AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [X] SCHEDULED AUTOS [X] HIRED AUTOS [X] NON-OWNED AUTOS	12UECD09761	11/18/2007	11/18/2008	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1000000 $ $ $
		GARAGE LIABILITY [ ] ANY AUTO				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EA ACC AGG	$ $ $
A		EXCESS/UMBRELLA LIABILITY [X] OCCUR [ ] CLAIMS MADE [ ] DEDUCTIBLE [X] RETENTION $ 10,000	12SBMIF0389	11/17/2007	11/17/2008	EACH OCCURRENCE AGGREGATE	$ 1,000,000 $ 1,000,000
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				[ ] WC STATU-TORY LIMITS [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ $ $
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
Certificate holder is hereby named as Additional Insured.

CERTIFICATE HOLDER

Hidago County
P.O. Box 1356
Edinburg, TX 78540

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 MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Kent Shepard/CL13

©ACORD CORPORATION 1988

EXHIBIT "C"

Insurance Requirements

The Bidder awarded the contract shall furnish proof of insurance, which will also include any subcontractor that is subcontracted by the bidder in at least the following limits, to be in place prior to providing any services under this Contract and to continue at all times in force in effect during the term of this Contract:

1. A Five Hundred Thousand Dollar ($500,000.00) Comprehensive General Liability insurance policy providing additional coverage to all underlying liabilities of County.

2. Automobile liability insurance policy with limits of at least Three Hundred Thousand Dollars ($300,000.00) per person and Five Hundred Thousand Dollars ($500,000.00) per occurrence. Coverage should include injury to or death of persons and property damage claims with limits up to Five Hundred Thousand ($500,000.00) arising out of the services provided to County hereunder.

3. Uninsured/Underinsured motorist coverage in an amount equal to the bodily injury limits set forth immediately above;

4. Workers compensation insurance in amounts established by Texas law, unless the Bidder is specifically exempted from the Texas Workers Compensation Act, Texas Labor Code Chapter 401, et. seq.

Certificates of insurance naming County as an additional insured shall be submitted to County for approval prior to any services being performed by Contractor. Each policy of insurance required hereunder shall extend for a period equivalent to, or longer than the term of the Contract, and any insurer hereunder shall be required to give at least thirty (30) days written notice to the County prior to the cancellation of any such coverage on the termination date, or otherwise. This Contract shall be automatically suspended upon the cancellation, or other termination, of any required policy of insurance hereunder, and such suspension shall continue until evidence adequate replacement coverage is provided to County. If replacement coverage is not provided within thirty (30) days following suspension of the Contract, this Contract shall automatically terminate.

EXHIBIT "D"

CONFLICT OF INTEREST QUESTIONNAIRE

HIDALGO COUNTY
"IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"

2008-239-09-10-MSS

EXHIBIT "D"

CONFLICT OF INTEREST QUESTIONNAIRE — FORM CIQ

For vendor or other person doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of person who has a business relationship with local governmental entity.**

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.**

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 **Name of local government officer with whom filer has employment or business relationship.**

_____

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

☐ Yes ☐ No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

☐ Yes ☐ No

D. Describe each employment or business relationship with the local government officer named in this section.

4

_____ _____

Signature of person doing business with the governmental entity — Date

Adopted 06/29/2007

PROJECT REQUIREMENTS ACKNOWLEDGMENT

This is to certify that I, _____, possess all of th
APPLICABLE:

1. Licenses: _____.
2. Bonds: _____.
3. Certificates: _____.
4. Permits: _____.
5. Other: _____.

necessary to carry out the required project. Furthermore, I am providing copies of the require documentation so that, if my company is awarded this bid, I may be eligible to enter into contract with Hidalgo County and proceed to complete the project in a timely manner.

* Any licenses, bonds, certificates, permits, etc. which are required must be presented as pa of the bid packet in order to expedite the bid evaluation process. Failure to provide sai documentation will result in the disqualification of your bid.

_____ _____.
Authorized Signature Date

_____.
Company

_____.
Address

_____.
City, State, Zip

VENDOR / BIDDER APPLICATION

HIDALGO COUNTY
"IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"

2008-239-09-10-MSS

HIDALGO COUNTY
PURCHASING DEPARTMENT
Bidder/Vendor Application

Complete in print or type. Please return this application to the Hidalgo County Purchasing Department thru Facsimile: (956) 318-2629 or (956) 292-7612 in person or regular mail to: 2812 S. Business Hwy. 281 , Edinburg, Texas 78539 or email: purchasing@co.hidalgo.tx.us

Company Name: PALM VALLEY ANIMAL CENTER **Telephone No. (** 956 **)** 686 - 1141

dba Name:

Legal Name: PALM VALLEY ANIMAL CENTER

Mailing Address : 2501 W. TRENTON **Fax No. (**956 **)** 687-8336

Physical Address: 2501 W. TRENTON

City, State, Zip EDINBURG TX 78539 **Tax I.D. No.** 741819910

Remit to Address : **City, State, Zip**

E-Mail Address: director@palmvalleyanimalcenter.org

Representative(s) Name(s) & Title(s)

Type of Organization (check one): _____ Individual _____ Partnership _____ Corporation _X_ Non-Profit _____ LLC _____ Sole Proprietor _____ Other, Specify

State Identification No._____ **(Please attached completed W-9 form with this application)**

Federal Identification No. or (if individual) SS No.

State of Incorporation: TEXAS **Date:** 8/15/1974 **Other:**

Type of Business (check one): _____ Manufacturer _____ Wholesaler _____ Retailer _____ Broker _____ Distributor _____ Service Organization ✓ Other, Specify NON-PROFIT - ANIMAL SHELTER

Name & Title of Person(s) Authorized to Sign Bids, Proposals, and/or Contracts:

DARIN L. LANDRUM (EXECUTIVE DIRECTOR)

Small and/or Disadvantaged Business Information (check application criteria)

Small Business:

❒ Less than 125,000 annual gross receipt
❒ Less than 250,000 annual gross receipt
❒ Less than 499,000 annual gross receipt
❒ More than 500,000 annual gross receipt

Disadvantaged Business (At Least 51% Ownership)

❒ Black American
❒ Hispanic American
❒ Asian Pacific American
❒ Native American
❒ Women
❒ Other

Have you been certified as a HUB or an MBE/WBE source?: ❒ Yes ❒ No

Indicate Certification No.(s):_____ **or are Certificate(s) attached?:** ❒ Yes ❒ No

What type of product(s) is/are solicited by your company?:

Would you like to be provided with specifications for procurements of such products?: ❒ Yes ❒ No

To Be Completed by the County: Rec'd by (Purchasing):_____ **Date Rec'd by (Purchasing):**

Date Forwarded Information to Auditor's Office:_____**Entry Date:** _____ **Vendor No.:**

HISTORICALLY UNDERUTILIZED BUSINESS (HUB) DECLARATION

The primary objective of the Hidalgo County HUB Program is to ensure Historically Underutilized Businesses receive fair and equal opportunity for participation in the County's procurement process. This fact holds true for Servic (Professional & Non-Professional), Commodities, and Construction contracts and any subcontracts thereto. The progra strongly encourages Prime Contractors to provide subcontracting opportunities to Certified Hub Contractors/Vendor Our goal for HUB contractor/vendor participation, as well as HUB subcontractor participation is 30%. To be considere as a "Certified HUB Contractor/Vendor" the contractor/vendor must have been certified by, and hold a current and val certification with any of the three agencies listed below.

Have you been Certified as a HUB or an MBE/WBE source?: ❒Yes ❒ No

If yes, by whom?: ❒ Texas Building & Procurement Commission ❒ Other_____

Indicate Certification No(s).:_____ or Are Certificate(s) Attached?: ❒ Yes ❒ No

LIST OF CERTIFIED HUB SUBCONTRACTORS

(Attach additional pages if necessary)

What percentage of the Bid, RFP,or RFQ is to be subcontracted with Certified HUB sources?: _____%
(List HUB Subcontractor information below).

HUB Subcontractor Name: _____ HUB Status:
Certifying Agency (Check all applicable): ❒Texas Building & Procurement Commission ❒ Other
Address: _____ City: _____ State: _____ Zip:
Contact Person: _____ Title: _____ Phone No.: ( )
Subcontract Amount: $_____ Description of Work to be Performed:

HUB Subcontractor Name: _____ HUB Status:
Certifying Agency (Check all applicable): ❒Texas Building & Procurement Commission ❒ Other
Address: _____ City: _____ State: _____ Zip:
Contact Person: _____ Title: _____ Phone No.: ( )
Subcontract Amount: $_____ Description of Work to be Performed:

HUB Subcontractor Name: _____ HUB Status:
Certifying Agency (Check all applicable): ❒Texas Building & Procurement Commission ❒ Other
Address: _____ City: _____ State: _____ Zip:
Contact Person: _____ Title: _____ Phone No.: ( )
Subcontract Amount: $_____ Description of Work to be Performed:

IRS W-9 FORM

HIDALGO COUNTY
"IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"

2008-239-09-10-MSS

Form **W-9**
(Rev. November 2005)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)
PALM VALLEY ANIMAL CENTER

Business name, if different from above

Check appropriate box: ☐ Individual/ Sole proprietor ☑ Corporation ☐ Partnership ☐ Other ► ..... ☐ Exempt from backup withholding

Address (number, street, and apt. or suite no.)
2501 N. TRENTON

Requester's name and address (optional)

City, state, and ZIP code
EDINBURG TX 78539

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
			–		–			

or

Employer identification number
7	4	–	1	8	1	9	9	1	0

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here Signature of U.S. person ► Dan L Landrum Date ► 9/08/09

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

• The U.S. grantor or other owner of a grantor trust and not the trust, and

• The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the Part II instructions on page 4 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules regarding partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),

2. The United States or any of its agencies or instrumentalities,

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or

5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

7. A foreign central bank of issue,

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

9. A futures commission merchant registered with the Commodity Futures Trading Commission,

10. A real estate investment trust,

11. An entity registered at all times during the tax year under the Investment Company Act of 1940,

12. A common trust fund operated by a bank under section 584(a),

13. A financial institution,

14. A middleman known in the investment community as a nominee or custodian, or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	**THEN the payment is exempt for . . .**
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over $600 required to be reported and direct sales over $5,000 [1]	Generally, exempt recipients 1 through 7 [2]

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at *www.socialsecurity.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses* and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting *www.irs.gov* or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account [1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor [2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee [1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner [1]
5. Sole proprietorship or single-owner LLC	The owner [3]
For this type of account:	**Give name and EIN of:**
6. Sole proprietorship or single-owner LLC	The owner [3]
7. A valid trust, estate, or pension trust	Legal entity [4]
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

[4] List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules regarding partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

DEBARMENT CERTIFICATION FORM

HIDALGO COUNTY
"IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"

2008-220-08-10 MSS

Certification
Regarding Debarment, Suspension and Ineligibility

As is required by the Federal Regulations Implementing Executive Order 12549, Debarment and Suspension, 45 CFR Part 76, Government-wide Debarment and Suspension, the applicant certifies, to the best of his or her knowledge and belief, that both it and its principals:

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency;

b. Have not within a three-year period preceding this bid proposal and/or application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

c. Are not presently indicted for or otherwise criminally or civilly charged by a government entity with commission of any of the offenses enumerated herein; and

d. Have not within a three-year period preceding this bid proposal and/or application had one or more public transactions terminated for cause or default.

Signature: Darin L Landrum
Print Name: DARIN L. LANDRUM
Title: EXECUTIVE DIRECTOR
Telephone Number: (918) 686-1141
Date: 9/05/08

If the bidder is unable to certify to all of the statements in this Certification, such bidder should attach an explanation to this proposal.

DRAFT CONTRACT

HIDALGO COUNTY
"IMPOUNDMENT AND QUARANTINE OF SMALL ANIMALS WITHIN HIDALGO COUNTY"

2008-239-09-10-MSS

STATE OF TEXAS §
§
COUNTY OF HIDALGO §

AGREEMENT
C-08-239-00-00

This Agreement is made and entered into effective _____ by and among HIDALGO COUNTY, TEXAS, a political subdivision of the State of Texas, and (COMPANY) _____ of the State of Texas.

WITNESSETH:

WHEREAS, County has the responsibility and duty to provide a location for the improvement of impoundment of animals and the quarantine of small animals that are reported to be or which the County has probable cause to believe are rabies or have exposed an individual to rabies; and

WHEREAS, County does not have facilities to impound or quarantine animals and desires to contract with a person having such facilities and services necessary to provide the proper quarantine, tests and other services required by Chapter 826, Texas Health & Safety Code, rules and regulations adopted by County related to local control programs and standards that are in compliance with Chapter 826, Texas Health & Safety Code; and

WHEREAS, Contractor has facilities which qualify as an animal shelter, pursuant to Chapter 826, Texas Health & Safety Code, located within the extraterritorial jurisdiction of the City of Edinburg, Texas and within the extraterritorial jurisdiction of McAllen Texas, both of which are suitable for the County to utilize in impounding, quarantining and observing animals, pursuant to Chapter 826, Texas Health & Safety Code, as well as

DRAFT

providing a place for person located outside of the corporate limits of any municipality in Hidalgo County to utilize for placement of unwanted stray or abandoned animals; and

WHEREAS, the COMPANY. has submitted a proposal to Hidalgo County, Texas to provide facilities to impound, quarantine and observe animals and provide facilities that qualify as animal shelters in the City of to properly quarantine, test conduct humane euthanasia and dispose of the animals when necessary and has also agreed to provide the facilities for these purposes for residents for the non-incorporated areas of Hidalgo County who desire to bring unwanted stray animals to either facility.

NOW, THEREFORE, IT IS AGREED by and between County and Contractor as follows:

1. Definition

a. "Animals" mean dogs, cats or other small animals that are impounded at the Facilities either by County authorities or by a person residing outside of the corporate limits of municipalities in Hidalgo County.

b. "Animal Shelter" means a facility that keeps, provides a shelter for or legally impounds stray, homeless, abandoned or unwanted animals pursuant to Chapter 826, Texas Health & Safety Code.

c. "Contractor" shall mean COMPANY.

.

d. "County" means Hidalgo County, Texas.

e. "Director" means Medical Officer and/or Director of Hidalgo County Health Department.

f. "Facilities" means the Animal Shelter owned by Contractor located within the extraterritorial jurisdiction of Edinburg, Texas..

DRAFT

1. Contractor agrees to provide a proper Animal Shelter regulated by and complying with standards prescribed by Chapter 826, Texas Health & Safety Code, in which Animals may be impounded , quarantined, observed, put to death and disposed of either at the request by County authority or by persons who desire to place stray or abandoned Animals in the Facilities throughout the term of this Agreement under the provisions set forth hereinafter.

2. The term of this Agreement shall be for a period of time beginning _____and ending_____.

3. As consideration for performing the services enumerated hereinafter, County agrees to pay Contractor a sum equal to_____. Contractor shall be paid an amount equal to the prorate portion of the Contract performed by the Contractor during the prior month on the first day of each month that the services have been performed by Contractor for County. This fee shall cover all services rendered by Contractor under this Agreement.

4. Contractor shall provide the following services under the terms of the Contract during the term of this Agreement

5. Contractor shall provide adequate food, water, shelter, confinement and, when situations warrant, humane euthanasia for all impounded or quarantined Animals.

a. Contractor shall provide County with Facilities that are licensed by the Texas Department of Health to operate as a place where legal and healthful impounding or quarantining of Animals may occur.

b. Contractor shall impound or place in quarantine in the Facilities all Animals required or requested to be impound or quarantined per the authority and direction of the director, person who is designated and charged with the enforcement of the Chapter 826, Texas health & Safety Code, or other State or County regulations. Contractor shall also impound or place in quarantine the Facilities all Animals submitted to Contractor by persons who reside outside of the corporate limits of any municipality in Hidalgo County who desire to place such animals in the Facilities. At no time shall Contractor refuse to house and provide for any such Animals.

c. Contractor shall maintain hours for receiving Animals for housing during twenty-four(24) hours of each day of the week, unless notification to the County is provided by Contractor forty-eight (48) hours prior to any change of such hours of operation. Emergency closing of the Facilities may be necessary and applicable reasons shall be enumerated in the "Force Majeure" action of this Contract.

d. Contractor will, on a "best efforts" basis, attempt to reunite owners with impounded Animals.

e. Contractor will attempt to secure adoptive homes for all unclaimed Animals

DRAFT

and shall require that any Animal adopted form said Facilities shall, in the case of mature adult Animals, be surgically altered to prevent conception of offspring.

f. → DO NOT HAVE A VETERINARIAN ON STAFF
Contractor will provide, under County authority, programs by which reduced cost of rabies vaccination for pet animals may be obtained by the residents may bring their animals for such vaccinations, to convenient, County-owned locations. ~~Cost of~~ vaccinations shall be borne by the resident and the County and Contractor shall not be liable for any accident, injury or malevolent occurrence to residents or animals arising from the conducting of said clinics.

g. Contractor will assist County, when requested, into the investigation of animal cruelty.

h. Contractor shall conduct humane euthanasia on Animals when directed by Director and dispose of all dead Animals by cremating them. → (SANITARY LANDFILL)

ix. Contractor shall provide the services for and bear all costs for the preparation and shipment of any Animal to the Texas Department of Health for laboratory testing.

j. Contractor shall provide laboratory testing of any Animal that becomes ill or expires during rabies quarantine, including but not limited to shipping such animal to a facility designated and licensed by the Texas Department of Health, County authorizes its Director to instruct Contractor in the preparation and shipment of any such Animals by verbal order.

1. In addition to the consideration paid herein, County shall have the responsibilities under the terms of this Agreement that are listed as follow:

a. County has designated Director as the person whose responsibility shall be the enforcement of Chapter 826, Texas Health & Safety Code and the impounding and quarantine of Animals. Director shall act as the Rabies Health Authority for County and shall act as liaison between County and Contract at all times when the members of the County Commissioners Court are not available.

b. County, by these presents, authorizes Contractor to use its discretion in disposing of any Animal not redeemed by its own after seventy-two (72) hours have elapsed from the initial time the Animal is impounded or quarantined at Contractor's Facilities and shall defend and hold Contractor harmless for any action taken by Contractor to dispose of any Animal thereafter.

c. Contractor shall have the legal authority to administer humane euthanasia to any Animal when, in the opinion of Contractor, the Animal is suffering or moribund from serious injury or illness, even though the seventy-two hour period or impoundment or quarantine has not expired.

DRAFT

d. County shall impound and quarantine all Animals that have bitten or that are suspected to have bitten a human or other animal in the Facilities for a period of not less than ten (10) days. During this time, the Animal shall be monitored by Contractor for symptoms of rabies. Director or his designee shall inspect such Animals on the first and last day of said period of impoundment or quarantine. In no event shall Contractor release any Animal from such observation until instructed to do so by written instrument issued by the Director or designee. All such Animal will be placed in Contractor's facility for quarantine.

e. County shall establish and appoint an Advisory Committee to assist in complying with Chapter 826, Texas Health & Safety Code, which shall be composed of at least one licensed veterinarian, one county official, one person whose duties include the daily operation of an animal shelter and one representative from an animal welfare organization. County shall use its best efforts to require that this Advisory Committee shall meet at least three times a year.

1. Residents of Hidalgo County shall be allowed to surrender Animals directly to Contractor. Such Animals may be placed for adoption or humanely euthanized by Contractor.

2. If an Animal becomes ill or expires during rabies quarantine, it is the responsibility of Contractor to provide laboratory testing of such Animal in a facility designated and licensed by the Texas Department of Health to accomplish such tests. County hereby authorizes Director to instruct the contractor in the preparation or shipment of such Animals by verbal order.

3. All official communications and notices between County and Contractor shall be in writing and shall be deemed delivered when placed in the United States mail for delivery to the following address:

County Judge of Hidalgo County
HIDALGO COUNTY ADMINISTRATION BUILDING
100 E. Cano
Edinburg, Texas 78539

COMPANY NAME
ADDRESS
CITY, STATE ZIP

4. Contractor shall indemnify and hold harmless the County against all claims, demands, damages, costs or fees arising from conduct or management of business in or on Contractor's premises or form any act of negligence of Contractor against all claims arising from conduct, management of business or any act of negligence of County, its employees or agents.

5. This Agreement shall be binding and inure to the benefit of both parties.

DRAFT

6. This Agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations crated herein are performable in Hidalgo County, Texas. In case any one or more provisions contained in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect such shall be construed as if the invalid, illegal or unenforceable provision had never been contained herein.

7. No amendment, modification or alteration of the terms hereof shall be binding unless the same be in writing, dated subsequent to the date hereof and duly executed by the parties named herein.

8. Force Majeure: Neither County nor Contractor shall be required to perform any act, term, condition or covenant in this Agreement so long as such performance is delayed or prevented by force majeure (acts of God), strikes, lockouts, material or labor restrictions by any governmental authority, civil riot, floods, fire, windstorm or any other cause not reasonably in the control of the County or Contractor any, which by the exercise of due diligence, County or Contractor is wholly or in part unable to overcome.

DRAFT

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:_____

DRAFT

HIDALGO COUNTY PURCHASING DEPARTMENT
PARTICIPATING BIDDER'S LOG
SPECIFICATIONS/BID PACKETS

IBF-RFP-RFQ-RFI

BID OPENING DATE: NEW EXTENDED BID OPENING: September 24, 2008
BID OPENING TIME: 9:30 A.M.
DEPARTMENT/BID DESCRIPTION:"HIDALGO COUNTY – IMPOUNDMENT AND QUARANTINE (
SMALL ANIMALS WITHIN HIDALGO COUNTY"
BID NO.: 2008-239-09-10-MSS

NAME OF VENDOR COMPANY/FIRM	BID REQUEST *VIA	SIGNATURE (IF APPLICABLE) OR INITIALS OF STAFF	DATE	MAILING ADDRESS & PHONE No
Palm Valley Animal Center Attn: Darin L. Landrum, Executive Director	BLM	Sent Via e-mail to: admin@palmvalleyanimalcenter.org (received confirmed)	09/02/08	2501 W. Trenton Rd. Edinburg, TX 78539 Ph. 956-686-1141 Fax# 956-687-8336
Frank Quinonez, Shelter Manager		Via e-mail: Frank@rgv.twcbc.com	9/22/08	

*VIA:
IN PERSON (IP)
TELEPHONE REQUEST (TR)
BIDDER LIST MAIL OUT (BLM)

AI-11397 **19.A.8.**

Demonstration Program Primary/Specialty Health Care Services And/Or Targeted Case Managment Services

CC REGULAR

Date: 09/30/2008
Submitted By: Vangie Garcia, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Hidalgo County

Information

CAPTION

Presentation for discussion, consideration, and approval of a request from "Lower Rio Grande Valley Community Health Management Corporation, Inc., d/b/a, El Milagro Clinic" for Hidalgo County to accept the "revised" budget which does not exceed the original awarded amount of $215,559.00 (Commissioners Court - 04/07/08) for: Demonstration Program Primary/Specialty Health Care Services and.or Targeted Case Management.

BACKGROUND

The approved budget amount does not change, their only changes were within their line items in their report.

Fiscal Impact

FISCAL YEAR: **ACCT. #:**
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

No account number is required. It is only for approval of the revised budget report by requester. No fiscal impact.

Attachments

Link: ORIGINAL BUDGET REPORT SUBMITTED

Link: REVISED BUDGET REPORT SUBMITTED

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 02:24 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 02:53 PM	APRV
3	Ivan Cantu	Ivan Cantu	09/26/2008 07:31 AM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 03:08 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 04:38 PM	APRV

Form Started By: Vangie Garcia

Started On: 09/24/2008 05:04 PM

Final Approval Date: 09/26/2008

ATTACHMENT "B"
GRANT FUNDING DISTRIBUTION AND FUNDING/BUDGET SUPPORT

PROGRAM PROJECT:	Demonstration Program Primary/Specialty Health Care Services And/Or Targeted Case Management Services
AGENCY:	Lowe Rio Grande Valley Community Health Management Corporation, Inc., d/b/a El Milagro Clinic
CONTACT PERSON:	Grace Lawson, Executive Director
GRANT FUNDING REQUEST:	$247,360.00
AMOUNT APPROVED BY CC:	**$215,559.00**
GRANT FUNDING MONTHLY REIMBURSEMENT BASIS EFFECTIVE	**April 15, 2008 (Upon full execution by both parties)**

PROPOSAL BUDGET

Two (2) Mid-Level Providers (1.5 FTE) **or** One (1) Physician (.5 FTE)	$100,000.00 100,000.00	
Specialty Services (Cardiology, Oncology, etc.)	70,000.00	
Licensed Vocational Nurse (.75 FTE)	26,000.00	
Tax & Fringe (Licensed Vocational Nurse)	**9,360.00**	**Disallowed**
Medical Assistant (1 FTE)	18,000.00	
Tax & Fringe	**6,600.00**	**Disallowed**
Clerk 1 FTE	**15,000.00**	**Disallowed**
Tax & Fringe	**5,400.00**	**Disallowed**
Housekeeping (Contractual)	**8,000.00**	**Disallowed**
Medical Supplies	15,000.00	
Medication/Pharmacy Supplies	20,000.00	
Laboratory	25,000.00	
Radiology (Including Mammograms)	25,000.00	
Sub-Total	***343,360.00***	
In-Direct Costs	***34,336.00***	
Total	***377,696.00***	
Minus Revenue Generated	***(90,000.00)***	
Minus In-Kind Services (Lab & Radiology)	***(6,000.00)***	
Minus In-Kind Indirect Cost	***(34,336.00)***	
Minus Disallowed Costs	***(44,360.00)***	
Grand Total	***$203,000.00***	**(44,360.00)**

LOWER RIO GRANDE VALLEY COMMUNITY
HEALTH MANAGEMENT CORPORATION, INC.

EL MILAGRO CLINIC
901 East Vermont Avenue
McAllen, Texas 78503
Telephone (956) 664-9416
Fax (956) 664-9243

September 15, 2008

Vangie Y. Garcia, Buyer II
Hidalgo County Purchasing Department
100 E. Cano Blvd.
Edinburg, Texas 78539

Attached is the August 01-August 31, 2008 reimbursement request for our contract with Hidalgo County under the "Demonstration Program Primary/Specialty Health Care Services".

Please note that I have revised the budget as follows:

The total budget equals the amount approved and awarded by the Commissioners Court, $215,559. Individual line items have been modified to total this approved amount, previous reports had individual line items that totaled the amount requested, not the amount awarded.

The total budget for the project continues to be $345,895.00. Expenses, exceeding the amount awarded of $215,559, will be made up with this specific project income generated or other available El Milagro funds and in kind services. As part of our internal controls we will track the project income generated and in-kind services and generate a report that we will forwarded to you, this first such report will be forwarded to you by October 15, 2008. Subsequent reports will be forwarded every quarter (Jan.15, 2009 and April 15, 2009).

If we can answer any questions, please feel free, Marisol Resendez or Lucinda Arredondo at (956) 664-9416.

Sincerely,

Grace Lawson
Executive Director

El Milagro Clinic	Approved Budget	Amended Budget 9/15/08	4/15/2008	5/31/2008	6/30/2008	7/31/2008	8/31/2008	Cummulative Total	Remaining Balance
1. Two Mid-Level Providers (1.5 FTE) or One Physician (.5 FTE)	$ 100,559.00	$ 93,355.00	$ 5,144.25	$ 8,926.20	$ 8,464.50	$ 9,285.30	$ 8,934.75	$ 40,755.00	$ 52,600.00
2. Special Services (Cariology, Oncology, etc)	$ 82,000.00	$ 29,400.00	$ 429.00	$ 300.00	$ 1,728.00	$ 3,168.00	$ 2,925.00	$ 8,550.00	$ 20,850.00
3. LVN (.75 FTE)	$ 26,000.00	$ 17,940.00	$ 604.80	$ 1,699.20	$ 1,555.20	$ 1,526.40	$ 1,078.02	$ 6,463.62	$ 11,476.38
4. Medical Assistant (1 FTE)	$ 18,000.00	$ 12,420.00	$ 423.69	$ 1,190.38	$ 1,089.50	$ 1,069.32	$ 1,215.01	$ 4,987.90	$ 7,432.10
5. Medical Supplies	$ 15,000.00	$ 12,350.00	$ -	$ 262.12	$ 2,135.19	$ -	$ 4,585.74	$ 6,983.05	$ 5,366.95
6. Medication/Pharmacy Supplies	$ 20,000.00	$ 6,222.00	$ -	$ 113.71	$ 77.66	$ 273.94	$ 156.57	$ 621.88	$ 5,600.12
7. Laboratory	$ 25,000.00	$ 22,500.00	$ -	$ 1,943.63	$ 4,364.42	$ 3,630.06	$ 3,377.60	$ 13,315.71	$ 9,184.29
8. Radiology (Including Mammograms)	$ 25,000.00	$ 21,372.00	$ -		$ 2,485.00	$ 3,535.00	$ 5,405.00	$ 11,425.00	$ 9,947.00
SUB TOTAL	$ 311,559.00	$ 215,559.00	$ 6,601.74	$ 14,435.24	$ 21,899.47	$ 22,488.02	$ 27,677.69	$ 93,102.16	$ 122,456.84
9. In-Direct Cost	$ 34,336.00		$ 3,434.00	$ 3,434.00	$ 3,434.00	$ 3,434.00		$ 13,736.00	$ (13,736.00)
TOTAL	$ 345,895.00		$ 10,035.74	$ 17,869.24	$ 25,333.47	$ 25,922.02	$ 27,677.69	$ 106,838.16	$ (106,838.16)
Minus other revenue	$ (130,336.00)		$ (3,434.00)	$ (3,434.00)	$ (3,434.00)	$ (3,434.00)		$ (13,736.00)	$ 13,736.00
Total Direct Costs - Reimbursement	$ 215,559.00	$ 215,559.00	$ 6,601.74	$ 14,435.24	$ 21,899.47	$ 22,488.02	$ 27,677.69	$ 93,102.16	$ 122,456.84

AI-11386 **19.A.9.**

Computer Equipment and/or Peripherals
CC REGULAR

Date: 09/30/2008
Submitted By: Matilde Faz, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Hidalgo County

Information

CAPTION

District Clerk:
Requesting authority to purchase computer equipment, peripherals and/or maintenance through our membership/participation thru Department of Information Resource with the following awarded vendor Dell Marketing L. P. DIR-SDD-192 req. #140194 for the total amount of $7,519.59.

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-412-00-090-001-0-665
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Amount available for req #140194 $7,519.59 as of 9-26-08 for Dell Marketing, LP.

Attachments

Link: District Clerk Requisition
Link: Dell Quote

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 01:00 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 03:06 PM	APRV
3	Ivan Cantu	Ivan Cantu	09/26/2008 07:35 AM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 03:52 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 04:37 PM	APRV

Form Started By: Matilde Faz Started On: 09/24/2008 04:30 PM

Final Approval Date: 09/26/2008

Requisition

Req # 00140194

PO #

Date: 09/24/08

Regular
11386
9/30/08

Bill To: x
x

Vendor : 178136
DELL MARKETING L.P.
ONE DELL WAY
RR1 MAILSTOP 8035
ROUND ROCK TX 78682
FAX (800)433-9527

Ship To: DISTRICT CLERK
100 N. CLOSNER, 1ST FL
EDINBURG TX 78539

Contact: **STEPHANIE**
956-318-2200

Contract No:

Special Instructions:
REQ. NO: 092408-1

QUANTITY	UOM	DESCRIPTION	UNIT PRICE	AMOUNT
		AS PER STATE OF TEXAS APPROVAL CONTRACT NO: 9913578 DIR-SDD-192 DO NOT DUPLICATE ORDER		
1	EACH	Upgrade to all PC'S with Service Tag #'s Model: Optiplex SX280 Service Extension Fees, Reinstatement Fee and Total Price 2Y93S51 $22.13 $- $22.13 4HQQC61 $103.46 $100.00 $203.46 BHQ3461 $97.18 $100.00 $197.18 5Y93S51 $110.38 $100.00 $210.38 CKQQC61 $103.46 $100.00 $203.46 HJQQC61 $103.46 $100.00 $203.46 DY93S51 $103.67 $100.00 $203.67 30B3S51 $106.49 $100.00 $206.49 1Y93S51 $109.52 $100.00 $209.52 9HQQC61 $103.46 $100.00 $203.46 B419071 $122.94 $100.00 $222.94 9Y93S51 $103.67 $100.00 $203.67 FHQQC61 $103.46 $100.00 $203.46 JHQQC61 $103.46 $100.00 $203.46 60B3S51 $103.67 $100.00 $203.67 FY93S51 $110.38 $100.00 $210.38 CGQQC61 $103.46 $100.00 $203.46 90B3S51 $107.79 $100.00 $207.79 2KQQC61 $103.46 $100.00 $203.46 8HQQC61 $103.46 $100.00 $203.46 9KQQC61 $103.46 $100.00 $203.46 6GQQC61 $103.46 $100.00 $203.46 DX93S51 $109.73 $100.00 $209.73 4JQQC61 $103.46 $100.00 $203.46 4Z93S51 $105.62 $100.00 $205.62 BJQQC61 $103.46 $100.00 $203.46 F0B3S51 $105.62 $100.00 $205.62 1HQQC61 $103.46 $100.00 $203.46 BKQQC61 $103.46 $100.00 $203.46 CJQQC61 $103.46 $100.00 $203.46 2HQQC61 $103.46 $100.00 $203.46 JY93S51 $340.41 $100.00 $440.41 HZ93S51 $328.13 $100.00 $428.13 10B3S51 $328.82 $100.00 $428.82 BZ93S51 $340.41 $100.00 $440.41 7Z93S51 $339.73 $100.00 $439.73	7,519.59	7,519.59

Authorized By: _____

Requisition

Req # 00140194

PO #

Date: 09/24/08

Bill To: x
x

Vendor : 178136
DELL MARKETING L.P.
ONE DELL WAY
RR1 MAILSTOP 8035
ROUND ROCK TX 78682
FAX (800)433-9527

Ship To: DISTRICT CLERK
100 N. CLOSNER, 1ST FL
EDINBURG TX 78539

Contact:

QUANTITY	UOM	DESCRIPTION	UNIT PRICE	AMOUNT
		Extended Services Subtotal $4,855.10 Reinstatement Fees $3,500.00 Parts $- Subtotal: $8,355.10 Discounts Applied $835.51 Total: $7,519.59		
		Account No	Encumbrance	
		8-1100-412-00-090-001-0-665	7,519.59	
			Freight	.00
			Total	7,519.59
		REPORT ROAD HAZARDS 1-866-HCR-SAFE OR 1-866-427-7233		

Authorized By: _____

Back-up for Req # 140194

Extended Services Quote Information	
Quote #:	1006965786375

Customer Information	
Date:	August 26, 2008
Company Name:	COUNTY OF HIDALGO
Dell Customer # :	8937178

Dell Contact Information

Rob Taute
APOS Services Consultant

Rob_Taute@Dell.com
Phone: 1-800-247-4618 ext. 7249923
Fax: 1-866-584-8581

Dell Extended Services Details

Current Equipment Information					Extended Service Information				
Service Tag #	Model	Service Contract Type	Ship Date	Service Contract Expiration	Service Contract Type	New Contract End Date	Service Extension	Reinstatement Fee	Total Price
2Y93S51	OPTIPLEX SX280	ND	12/28/2004	10/5/2009	ND+TS	12/28/2009	$ 22.13	$ -	$ 22.13
4HQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
BHQ3461	OPTIPLEX SX280	ND	11/18/2004	11/18/2007	ND	11/18/2009	$ 97.18	$ 100.00	$ 197.18
5Y93S51	OPTIPLEX SX280	ND	1/18/2005	1/18/2008	ND	1/18/2010	$ 110.38	$ 100.00	$ 210.38
CKQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
HJQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
DY93S51	OPTIPLEX SX280	ND	12/18/2004	12/18/2007	ND	12/18/2009	$ 103.67	$ 100.00	$ 203.67
30B3S51	OPTIPLEX SX280	ND	12/31/2004	12/31/2007	ND	12/31/2009	$ 106.49	$ 100.00	$ 206.49
1Y93S51	OPTIPLEX SX280	ND	1/14/2005	1/14/2008	ND	1/14/2010	$ 109.52	$ 100.00	$ 209.52
9HQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
B419071	OPTIPLEX SX280	ND	3/17/2005	3/16/2008	ND	3/17/2010	$ 122.94	$ 100.00	$ 222.94
9Y93S51	OPTIPLEX SX280	ND	12/18/2004	12/18/2007	ND	12/18/2009	$ 103.67	$ 100.00	$ 203.67
FHQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
JHQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
60B3S51	OPTIPLEX SX280	ND	12/18/2004	12/18/2007	ND	12/18/2009	$ 103.67	$ 100.00	$ 203.67
FY93S51	OPTIPLEX SX280	ND	1/18/2005	1/18/2008	ND	1/18/2010	$ 110.38	$ 100.00	$ 210.38
CGQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
90B3S51	OPTIPLEX SX280	ND	1/6/2005	1/6/2008	ND	1/6/2010	$ 107.79	$ 100.00	$ 207.79
2KQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
8HQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
9KQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
6GQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
DX93S51	OPTIPLEX SX280	ND	1/15/2005	1/6/2008	ND	1/15/2010	$ 109.73	$ 100.00	$ 209.73
4JQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
4Z93S51	OPTIPLEX SX280	ND	12/27/2004	12/27/2007	ND	12/27/2009	$ 105.62	$ 100.00	$ 205.62
BJQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
F0B3S51	OPTIPLEX SX280	ND	12/27/2004	12/27/2007	ND	12/27/2009	$ 105.62	$ 100.00	$ 205.62
1HQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
BKQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
CJQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
2HQQC61	OPTIPLEX SX280	ND	12/17/2004	12/17/2007	ND	12/17/2009	$ 103.46	$ 100.00	$ 203.46
JY93S51	OPTIPLEX SX280	S4	1/7/2005	1/7/2008	S4	1/7/2010	$ 340.41	$ 100.00	$ 440.41
HZ93S51	OPTIPLEX SX280	S4	12/20/2004	12/20/2007	S4	12/20/2009	$ 328.13	$ 100.00	$ 428.13
10B3S51	OPTIPLEX SX280	S4	12/21/2004	12/21/2007	S4	12/21/2009	$ 328.82	$ 100.00	$ 428.82
BZ93S51	OPTIPLEX SX280	S4	1/7/2005	1/7/2008	S4	1/7/2010	$ 340.41	$ 100.00	$ 440.41

7Z93S51	OPTIPLEX SX280	S4	1/6/2005	1/6/2008	S4	1/6/2010	$ 339.73	$ 100.00	$ 439.73

Contract Descriptions	
6H	6HR 7X24 Service
S9	4HR 7X24 Service, Mission Critical
S1	4HR 7X24 Service, Non-Mission Critical
S4	4HR 5X10 Service
ND	Next Business Day Onsite Service
NP	Next Business Day - Parts Only
AE	Advanced Exchange
RR	Return to Depot
LT	Limited Technical Support
KK	Keep Your Hard Drive
TS	Gold Technical Support
CC	Complete Care
SV, GD, PL	Silver/Gold/Platinum
PS	End User ProSupport
PSMC	End User ProSupport Mission Critical
IPS	IT ProSupport
IPSMC	IT ProSupport Mission Critical
EPS	Enterprise ProSupport
EPSMC	Enterprise ProSupport Mission Critical
EOL	End Of Life

Extended Services Subtotal	$ 4,855.10
Reinstatement Fees	$ 3,500.00
Parts	$ -
Subtotal:	**$ 8,355.10**
Discounts Applied	$ 835.51
Total:	**$ 7,519.59**

Pricing does not include sales tax where applicable.
This quotation is valid for 30 days.

Purchase Order Requirements

Please remember to include the following information:

Questions about Services? Click here.

Support Questions? Click here.

- Billing address
- Shipping address, including a contact name & telephone number
- Terms stated as 'Net 30'
- A total dollar amount
- An authorizing signature (if required)

Please attach a copy of your Dell quote, or reference the Dell quote number(s) on the purchase order.

Please fax your purchase order to my attention.

AI-11376 **19.A.10.**

Requesting approval of 1 year extension for South-Tex Concrete
CC REGULAR

Date: 09/30/2008
Submitted By: Rocio Villarreal, PURCHASING DEPT.
Submitted For: Rocio Villarreal
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Hidalgo County

Information

CAPTION

Requesting authority to exercise the additional one year extension as provided under contract for "Concrete Mix & Delivery Services" for Hidalgo County, under the same rates, terms and conditions with South-Tex Concrete. C-07-344-10-09 Effective: 10/10/08-10/09/09

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1202-431-00-122-006-0-673
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Pct. 2 P/U Rd.- Available Balance as of 9-26-08 $84,317.45.

FISCAL YEAR: 2008 **ACCT. #:** 8-1203-431-00-123-005-0-673
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Pct. 3 P/U Rd.-Available Balance as of 9-26-08 $135,792.11.

FISCAL YEAR: 2008 **ACCT. #:** 8-1201-431-00-121-005-0-673
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Pct. 1 P/U Rd.-Available Balance as of 9-26-08 $36,288.36.

FISCAL YEAR: 2008 **ACCT. #:** 8-1204-431-00-124-007-0-673
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Pct. 4 P/U Rd.-Available Balance as of 9-26-08 $64,226.21.

Attachments

Link: extension letter

Link: Contract

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 12:48 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 02:59 PM	APRV
3	Ivan Cantu	Ivan Cantu	09/26/2008 07:42 AM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 03:34 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 04:37 PM	APRV

Form Started By: Rocio Villarreal Started On: 09/24/2008 03:40 PM

Final Approval Date: 09/26/2008

PURCHASING DEPARTMENT
County Of Hidalgo

September 24, 2008

South-Tex Concrete
Al Longoria, Representative
PO Box 1518
Edinburg, TX 78573-1086

Via Fax (956) 383-5854

Re: C-07-344-10-09-Concrete Mix & Delivery Services for Hidalgo County

Dear Mr. Longoria:

Commissioners' Court will take applicable action (Tuesday, September 30, 2008) in connection with the Hidalgo County's option to extend/renew for an additional one (1) year period as provided in the current lease agreement (under the same rates, terms and conditions). Effective date of renew/extension is of October 10, 2008. Please acknowledge receipt of this notice of extension by signing below and returning to the Purchasing Department by no later than, Friday, September 26, 5:00 p.m., via facsimile to (956) 956-318-2629.

By: _____ Date: _____

Should you have any questions or require additional information, please do not hesitate to contact me at (956) 318-2626. Your cooperation in this matter is greatly appreciated and we hope your company continues its business relationship with Hidalgo County.

Sincerely,

Rocio Villarreal
Hidalgo County Contracts Manager

REQUIREMENTS AGREEMENT
C-07-344-10-09

THIS AGREEMENT (the "Agreement") is entered into effective as of **October 09, 2007** by and between **APC Valley, LTD dba South-Tex Concrete,** a Texas Company ("Seller") and **HIDALGO COUNTY** ("Buyer").

WHEREAS, Buyer has solicited proposals for the supply of its requirements of Hidalgo County for**" Concrete Mix & Delivery Services",** as further described in Exhibit "A" which is attached hereto and incorporated herein by reference for all purposes (the "Products") for a period of one year; and

WHEREAS, Seller has submitted a proposal to supply Buyer's requirements; and

WHEREAS, Buyer has determined that Seller has submitted the lowest and best bid to meet Buyer's requirements for the Product.

NOW THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter set forth, and other good an valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, all of the Products that Buyer may require for use by Buyer in **" Concrete Mix 3000PSI & 4000 PSI (Slum 1-7)"** in the areas of **HIDALGO COUNTY** projects for a period of **one (1) year** from **October 9, 2007 to October 9, 2008** with the option to renew for an additional one (1) year(If applicable) under the same rates, terms, and condition, and it is agreed that the Products will meet the specifications set forth in Exhibit "A" hereto.

2. When Buyer determines that it needs a quantity of the Products to be delivered, it will, according to its Purchasing Policies, complete and submit to Seller a Purchase Order describing the type and quantity of the Products required. The Products are to be delivered by Buyer to the location in Hidalgo County specified by Buyer in its Purchase Order.

3. Buyer agrees to pay Seller for each Purchase Order based on the prices set out in Exhibit "B". Seller shall render invoices for each Purchase Order, and the invoices shall be paid by Buyer on or before the 30th day following receipt of the invoice.

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. General Provisions.

a. **Conflict with Applicable Law.** Nothing in this Agreement shall be construed so as

to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any present or future law, ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

b. **No Waiver.** No waiver by Buyer of any breach of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

c. **Entire Agreement.** This Agreement contains the entire contract between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representations or agreements in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by Buyer and Seller, and not otherwise.

d. **Texas Law to Apply.** This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas. The parties hereby consent to personal jurisdiction in Hidalgo County, Texas.

e. **Notice.** Except as may be otherwise specifically provided in this Agreement, all notices, demands, requests or communications required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to Buyer:
Hidalgo County
Attention: County Judge
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

If to Seller:
South Texas Concrete
Attention: Mr. Al Longoria
PO Box 1518
Edinburg, Texas 78540

Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the

Unites States mail.

f. **Additional Documents.** The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

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

h. **Assignment.** This Agreement shall not be assignable.

i. **Headings.** The headings and captions contained in this Agreement are solely for convenient reference and shall not be deemed to affect the meaning or interpretation of any provision or paragraph hereof.

j. **Gender and Number.** All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate

k. **Authority to Execute.** The execution and performance of this Agreement by Buyer and Seller have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of Buyer and Seller in accordance with its terms.

l. **Commitment of Current Revenues Only**. In the event that, during any term hereof, the Commissioners Court does not appropriate sufficient funds to meet the obligations of Buyer under this Agreement, Buyer may terminate this Agreement upon sixty (60) days written notice to Seller. Buyer agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of Buyer pursuant to the provisions of Tex. Loc. Govt. Code Ann. § 271.903 (Vernon Supp. 1996).

m. **Insurance.** 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 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.

n. **Purchasing Ethics**. Seller represents and warrants it has not, during the process of being awarded this contract violated the following ethical standards of Buyer and, upon and after the execution of this Agreement, agrees to abide by the following ethical standards of Buyer:

(1) It shall be a breach of ethics to offer, give or agree to give any elected official, department head or employee, or former elected official, department head or employee, of Hidalgo County, or for any elected official, department head or employee or former elected official, department head or employee of Hidalgo County, to solicit, demand, accept or agree to accept from another person, entity or organization, a gratuity or an officer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advise, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefor pending before any department or agency of Hidalgo County.

(2) It shall be a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for Hidalgo County, or any person associated therewith, as an inducement for the award of a subcontract or order.

EXECUTED effective as of the day and year first above written.

APPROVED BY COMMISSIONERS COURT ON, October 09, 2008

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

By: _____

HIDALGO COUNTY

By: _____
Juan D. Salinas, III, County Judge

ATTEST:

_____
Arturo Guajardo, Jr., County Clerk

Vendor: South Texas Concrete
By: _____
Printed Name: AL LONGORIA
Title: Representative

EXHIBIT "A"
SPECIFICATIONS

EXHIBIT "A"

HIDALGO COUNTY
"CONCRETE MIX & DELIVERY SERVICES"
BID NO: 07-344-08-29-YSI

SPECIFICATIONS, REQUIREMENTS & OTHER TERMS AND CONDITIONS

SCOPE OF SERVICES:

The services contract will encompass all project-related supplying and delivery of concrete mix for the County of Hidalgo including, but not limited to, the following:

1. All costs and expenses associated with the preparation and submission of bids shall be the responsibility of the bidder and no reimbursements for such charges or expenses shall be passed on to Hidalgo County.

2. Supplying of Concrete Mix and Delivery Services will be on an **as needed and as requested basis only.**

3. Concrete Mix 3000 PSI & 4000 PSI (Slum 1-7) will be supplied and delivered from your plant to different locations within Hidalgo County as requested.

4. Delivery hours will be arranged with requestor when requiring "Concrete Mix & Delivery Services".

5. Bid price must be per cubic yard basis with a minnimum of 5 cubic yards per request.

6. Hidalgo County reserves the right to award the bid to one bidder or to multiple bidders if the County determines it is in its best interest to do so.

7. The contract will be in effect for a period of (1) one year from bid award date with the County's option to extend for an additional year under the same terms and conditions.

8. Hidalgo County 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.

9. The contract shall remain in effect until contract expires, delivery/completion of services ordered or terminated by either party with a thirty (30) day written notice prior to any cancellation.

10. Hidalgo County reserves the right to reject any/all bids, to waive any/all formalities or technicalities, or to accept the bid considered the best and most advantageous to the County.

11. **Insurance (requirements) certificates** must be submitted to Hidalgo County Purchasing Department for approval prior to any services being performed which is applicable to the awarded bidder in accordance to **Exhibit "C" attached**.

12. The bidder(s) awarded the contract **cannot** engage the services of a **subcontractor without prior written consent of Hidalgo County** for retention of a subcontractor to perform services hereunder. The successful bidder(s) must present evidence that the proposed subcontractor possesses all the necessary licenses and permits to perform the services and that the subcontractor has obtained the required insurance coverages as outlined in Exhibit "C".

13. **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.

ADDITIONAL INFORMATION:

Further information required for this project can be addressed to, Yvette Islas, Buyer, Hidalgo County Purchasing Department (956) 318-2626. Hidalgo County is requesting that any and all questions, inquiries, and clarifications regarding quotes, bids, proposals, or statement of qualifications be addressed to Martha L. Salazar, Purchasing Agent, 100 E. Cano, 4th Floor, Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

ALL WRITTEN INQUIRIES WILL BE ACCEPTED VIA FACSIMILE NO LATER THAN, Wednesday, August 22, 2007, 5:00 P.M. Responses will be sent to all applicants via facsimile by no later than, 5:00 P.M., Friday, August 24, 2007 .

EXHIBIT "B"
PAYMENT SCHEDULE

EXHIBIT "B"

BID FORM

RECEIVED
AUG 29 2007
PURCHASING DEPT.

HIDALGO COUNTY
"CONCRETE MIX & DELIVERY SERVICES"
BID NO: 07-344-08-29-YSI

Part I. AWARD WILL BE BASED ON THE LOWEST BID PER CUBIC YARD MEETING ALL REQUIRED SPECIFICATIONS.

SAMPLE:	*$ 3.00*	*25%*	*.75*
Location of Plant/Concrete Mix Materials:	**Total Cost Per Cubic Yard:**	**Fuel Costs Percentage Per Cubic Yard:**	**Current / Base Fuel Cost**
3000 PSI (Slum 1-7) Concrete Mix & Delivery Services	$ 70.00	%	$ 6.00 per truc
4000 PSI (Slum 1-7) Concrete Mix & Delivery Services	$ 73.00	%	$ 6.00 per truc

Part II. BID PRICE ADJUSTMENT BY HIDALGO COUNTY

At the time of bid opening South Texas is expected to experience high fuel prices. Therefore, Hidalgo County is requesting pricin adjustments based on the following:

Fuel Cost Base Bid Price for project will be based on the OPIS Fuel Index for August 27, 2007. For each 10% (increase or decrease) in the OPIS Index of August 27,2007 during the contract term, the fuel cost(s) portion of the awarded bid price(s) will be adjusted accordingly. (As per abov 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 an $1.10=$0.99)

In the event you submit an invoice reflecting a price change under this provision, the Hidalgo County will only honor the change if a copy of the OPIS report on which the change is based accompanies the invoice. Additionally, Hidalgo County reserves the right to independently verify change 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.

Agreement to Bid Price Adjustment Part I & II for the term of the contract includes any grace period extension.

BIDDER/COMPANY NAME : South. Tex Concrete

ADDRESS: P. O. Box 1518

CITY/STATE/ZIP CODE: Edinburg Tx 78540

PHONE AND FAX No: 956) 381-9886 FAX 956) 383-5854

AUTHORIZED SIGNATURE: AL Longoria

PRINTED NAME: AL Longoria

TITLE: Representative

EXHIBIT "C"
INSURANCE

MARSH

CERTIFICATE OF INSURANCE

CERTIFICATE NUMBER
CLE-001631707-03

PRODUCER
Marsh USA Inc.
TWO LOGAN SQUARE
PHILADELPHIA, PA 19103-2797
Attn: Philadelphia.certs@Marsh.com Fax: 212-948-0360

927483--CAS-08-09

INSURED
ACP VALLEY, LTD.
DBA SOUTH-TEX CONCRETE
6055 W. GREEN MOUNTAIN ROAD
P.O. BOX 34807
SAN ANTONIO, TX 78265

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE POLICY. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES DESCRIBED HEREIN.

COMPANIES AFFORDING COVERAGE

COMPANY A: SENTRY INSURANCE A MUTUAL CO

COMPANY B: AMERICAN GUARANTEE & LIABILITY INSURANCE COMPANY

COMPANY C: THE AMERICAN INSURANCE COMPANY

COMPANY D:

COVERAGES This certificate supersedes and replaces any previously issued certificate for the policy period noted below. 1

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

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR [ ] OWNER'S & CONTRACTOR'S PROT	90-15373-06	01/01/08	01/01/09	GENERAL AGGREGATE PRODUCTS - COMP/OP AGG PERSONAL & ADV INJURY EACH OCCURRENCE FIRE DAMAGE (Any one fire) MED EXP (Any one person)	$ 2,000,000 $ 2,000,000 $ 2,000,000 $ 2,000,000 $ 500,000 $ 5,000
A	AUTOMOBILE LIABILITY [X] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS	90-15373-07	01/01/08	01/01/09	COMBINED SINGLE LIMIT BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE	$ 2,000,000 $ $ $ 5,000
	GARAGE LIABILITY [ ] ANY AUTO				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EACH ACCIDENT AGGREGATE	$ $ $
B	EXCESS LIABILITY [X] UMBRELLA FORM [ ] OTHER THAN UMBRELLA FORM	TBD	01/01/08	01/01/09	EACH OCCURRENCE AGGREGATE	$ 2,000,000 $ 2,000,000
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/ PARTNERS/EXECUTIVE OFFICERS ARE: [X] INCL [ ] EXCL	90-15373-07	01/01/08	01/01/09	[X] WC STATU-TORY LIMITS [ ] OTH-ER EL EACH ACCIDENT EL DISEASE-POLICY LIMIT EL DISEASE-EACH EMPLOYEE	$ 1,000,000 $ 1,000,000 $ 1,000,000
C	OTHER EXCESS LAYER LIABILITY	TBD	01/01/08	01/01/09		

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS
It is agreed that The County of Hidalgo is included as an Additional Insured as respects to General Liability where required by written contract.

CERTIFICATE HOLDER

The County of Hidalgo
100 E. Cano 4th Fl. Adm. Bldg.
Edinburg, TX 78539

CANCELLATION

SHOULD ANY OF THE POLICIES DESCRIBED HEREIN BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE INSURER AFFORDING COVERAGE WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED HEREIN, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER AFFORDING COVERAGE, ITS AGENTS OR REPRESENTATIVES, OR THE ISSUER OF THIS CERTIFICATE.

MARSH USA INC.
BY: Mary Radaszewski — Mary Radaszewski

MM1(3/02)

VALID AS OF: 01/02/08

AI-11374 **19.A.11.**

STATUS REPORT ON PROPERTY AND CASUALTY INSURANCE POLICIES

CC REGULAR

Date: 09/30/2008
Submitted By: Vangie Garcia, PURCHASING DEPT.
Submitted For: ROY QUINTANILHA
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Hidalgo County

Information

CAPTION

Presentation for discussion, consideration and action on "Hidalgo County Property And Casualty Policies". Policies will expire on 12/31/08 but have the options to renew/extend two (2)-one(1) year terms with Commissioners Court approval. The insurance carriers are requesting documentation for the purposes of providing renewal premium pricing/terms for coverages expiring at the end of this year.

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:**
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

No account number is required at this time (it is only a status report to Commissioners Court).

Attachments

Link: REQUESTED INFORMATION FROM MONTALVO INSURANCE

Link: INSURANCE CARRIERS

Link: SUMMARY

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 05:42 PM	APRV
2	Budget & Management	Veronica Lopez	09/26/2008 07:43 AM	APRV
3	Veronica Lopez	Veronica Lopez	09/26/2008 08:07 AM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 03:31 PM	APRV

5	Court Administrator	Angela Garcia	09/26/2008 04:38 PM	APRV
Form Started By: Vangie Garcia			Started On: 09/24/2008 03:34 PM	
Final Approval Date: 09/26/2008				

MONTALVO INSURANCE AGENCY

TEL. (956) 968-5521 • FAX (956) 969-9198

Date: 9/24/08

To: Mr. Roy Quintanilha- Hidalgo County

From: Ramon Montalvo III C.I.C. RMm

Re: Various Renewals for 09-10

Message:

The underwriters are needing the following information in order to provide renewal pricing/terms for coverage expiring at the end of this year:

1. LOSS RUNS FROM TAC- Need currently valued loss runs from TAC for the last 5 years on all coverages they wrote for the county.

2. UPDATED INFO FOR TRAVELERS- Need updated info on the 2 page renewal application attached. (I've enclosed last year's info for your use as a guide).

3. PROPERTY- We will use the same values per expiring including any properties added during the year.

4. PROFESSIONAL/MEDICAL LIABILITY- Need the 3 applications updated (I already emailed these to you).

5. COUNTY CLERK & DISTRICT CLERK E&O- Need to have updated applications per attached. (I'm enclosing last year's applications for your use as a guide).

6. MEXICO COVERAGE- Will use schedule of vehicles attached. Advice if any changes.

7. DIFFERENCE IN CONDITIONS/KIDNAP COVERAGE- Use same info as in last year's application (attached)

8. POLLUTION LIABILITY- Will use same info (attached). Advise if any changes.

HIDALGO COUNTY
LIST OF CARRIERS FOR PROPERTY AND CASUALTY INSURANCE
PREMIUM SUMMARY 2008 - 2009

INSURANCE CARRIER	DESCRIPTION
CHUBB-FEDERAL	COMMECIAL PROPERTY BOILER & MACHINERY
LANDMARK AM	DEDUCTIBLE BUY BACK DEDUCTIBLE BUY BACK-REINSTATE LIMIT
ACE AMERICAN	DIFFERENCE IN CONDITIONS KIDNAP & EXTORTION
ST. PAUL TRAVLERS	GENERAL LIABILITY EMPLOYEE BENEFIT PLANS ADMINISTRATION LIABILITY AUTOMOBILE LIABILITY & PHYSICAL DAMAGE PUBLIC OFFICIALS & EMPLOYMENT PRACTICES LIABILITY LAW ENFORCEMENT LIABILITY CRIME
EVANSTON INS. CO.	MEDICAL MALPRACTICE LIABILITY
CERTAIN UNDER LLOYDS	ERRORS & OMISSIONS COUNTY CLERK ERRORS & OMISSIONS DISTRICT CLERK
ILLIONOIS UNION	POLLUTION LIABILITY

GRUPO NACIONAL PROVINCIAL	MEXICO AUTOMOBILE
TRISTAR RISK MANAGEMENT	THIRD PARTY ADMINSTRATION SERVICES

MONTALVO INSURANCE AGENCY

Premium Summary
2008 - 2009

TEL. (956) 968-5521 • FAX (956) 969-9198

Named Insured: Hidalgo County

Commercial Property (Chubb – Federal Ins):	$354,062.00
Boiler & Machinery (Chubb – Federal Ins):	Included
Deductible Buy Back (Landmark Am):	$ 73,255.00
Deductible Buy Back–Reinstate Limit(Landmark Am)	$ 28,337.00
Differences in Conditions (Ace American Ins):	$ 11,700.00
Kidnap & Extortion (Ace American Ins):	$ 3,509.00
General Liability (St. Paul Travelers):	$895,098.00
Employee Benefit Plans Administration Liability	Included
Automobile Liability & Physical Damage:	Included
Public Officials & Employment Practices Liability:	Included
Law Enforcement Liability:	Included
Crime:	Included
Medical Malpractice Liability (Evanston Ins Co):	$ 67,619.00
Errors & Omissions Dist Clerk (Certain Undr Lloyds)	$ 8,780.00
Errors & Omissions Cnty Clerk (Certain Undr Lloyds)	$ 6,162.00
Pollution Liability (Illinois Union):	$ 3,200.00
Mexico Automobile (Grupo Nacional Provincial):	$ 4,003.00
Third Party Administration (TriStar):	$ 43,500.00

Independent Insurance Agent

ALL FORMS OF INSURANCE

Trusted Choice

208 SOUTH TEXAS BOULEVARD • WESLACO, TEXAS 78596

Home Page www.montalvoinsurance.com • Email: ramon@montalvoinsurance.com

AI-11352 **19.A.12.**

Auctioneer Services-Hidalgo County
CC REGULAR

Date: 09/30/2008
Submitted By: Yvette Islas, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Hidalgo County

Information

CAPTION

Presentation of options in connection with disposition of county surplus through auction, including, but not limited to, the following:

A. Exercise the County's current option to extend for an additional sixty (60) days with Abrego Towing & Storage, LLC for contract #s C-07-069 & C-07-370 so as to have no lapse in service and thus permit the development and drafting of modifications of the current specifications, requirements, terms and conditions with the user departments to address numberous concerns which will be in the best interest of Hidalgo County's surplus and/or confiscated property auction program;
B. Requesting authority to advertise sealed bids with concurrence and approval of final procurement packet (i.e. specifications and draft contract document-approved by legal counsel) by the user departments for: "Auctioneer Services-Hidalgo County" on an "as needed basis". (Bid No. 2008-370);
C. Authority to initiate an on-line web based surplus and confiscated property auction program on an "as needed basis" with an awarded vendor through the County's membership/participation with a cooperative purchasing program as an additional dispostion of surplus and/or confiscated property.

BACKGROUND

See attached specifications and draft contract
Proposed Schedule of Events:
1st Advertisement: October 04, 2008
2nd Advertisement: October 11, 2008
Bid Opening Date: October 22,2008

Fiscal Impact

Attachments

Link: Auctioneer Contract

Link: Contract Amendment

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 02:16 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 02:51 PM	APRV
3	Ivan Cantu	Ivan Cantu	09/26/2008 05:25 PM	APRV
4	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Yvette Islas Started On: 09/24/2008 01:27 PM

Final Approval Date: 09/26/2008

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

AGREEMENT FOR AUCTIONEER SERVICES
C-07-370-10-09

THIS AGREEMENT FOR AUCTIONEER SERVICES (the "Agreement") is entered into effective as of this the 9th day of **October, 2007** by and between **HIDALGO COUNTY, TEXAS**, ("County") and **Abrego Towing & Storage, a Texas, Limited Liability Company**, ("Company").

WHEREAS, County has solicited proposals from qualified parties to conduct public auction sales of surplus and/or seized property(Trailer/SemiTrailer, Independent Motorcycles, Travel Trailer, and Wholesale) belonging to County: and

WHEREAS, Auctioneer has submitted a proposal to provide the services required by County in accordance with the request for Bids attache hereto as Exhibit "A" and Auctioneer bid proposal attached hereto as Exhibit "B" and

WHEREAS, County has determined that the proposal by Auctioneer is the lowest and best bid submitted, and a contract should be awarded to Auctioneer; and

WHEREAS, the parties wish to further reduce to writing their representations, warranties and agreements regarding the services to be provided by Auctioneer to County.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows;

1. In the event County, in its sole discretion, determines that surplus or seized property in its possession is to be sold and that the services of a state-licensed auctioneer are required, Auctioneer agrees that it will perform the following services for and on behalf of County, in exchange for the consideration herein expressed (the "Services"): advertising of the sale in at least two issues of the proper local newspaper (including proper disclosures pursuant to Chapter 263 of the Texas Local Government Code). Labeling and set-up of items prior to the auction, preparation and clearing of all auction proceeds prior to delivery of goods to buyer, preparation of all paperwork necessary to transfer title to personal property, issuance of a cashier's check to County for the net sale proceeds, and collection deposit of all sales taxes.

2. For and in consideration of Auctioneer's services hereunder, County agrees to pay Auction a fee equal to ten percent (10%) of the gross sales receipts of any auction conducted by Auctioneer. Such amount may be deducted from the sales receipts by Auctioneer prior to remitting to County the cashier's check for the net sales.

3. The term of this agreement shall be for a period of one (1) year from the effective date hereof, as first-above written. County, in its sole discretion, may elect to extend the term of this contract for an additional two (2) one year term, under the same rates, terms and conditions. Contract may be extended at the sole discretion of County for an additional sixty (60) days, unless this Contract is terminated pursuant to the provisions herein, whichever occurs first.

4. Auctioneer represents and warrants to County as follows:

(a) Auctioneer is licensed by all appropriate federal, state and local agencies to conduct the Services herein described.

(b) A true and correct copy of Auctioneer's license is attached hereto as Attachment #1 to Exhibit "B"

(c) Auctioneer has been issued a Texas motor vehicle dealer "P" number, as evidenced by Attachment #1 to Exhibit "B".

(b) Auctioneer understands that County retains the sole discretion to determine if an auction is to be conducted which requires the services of a licensed auctioneer, and that the awarding of this bid and the execution of this Agreement by County do not constitute any representation or guaranty that any such auction will occur.

(e) Auctioneer is not required to maintain Workers' Compensation Insurance pursuant to the applicable provisions of Texas Labor Code.

(f) Concurrently with his execution of this Agreement, Auctioneer has presented to County a certificate of insurance indicating A five-hundred thousand general liability insurance policy, naming County as an additional insured, with limits of at least $300,000 providing additional coverage to all underlying liabilities consistent with potential exposure of County in accordance with the Texas Tort Claims Act. Each policy of insurance required hereunder shall extend for a period equivalent to the term of this Agreement, and any insurer hereunder shall be required to give at least thirty (30) days written notice to the County Judge prior to the cancellation of any such coverage on the termination date or otherwise.

(g) County and Auctioneer 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. Auctioneer agrees to promptly notify County of any suspension, termination or

revocation of Auctioneer's License or of the liability insurance coverage required, hereunder, in which event County may, in its sole discretion, elect to immediately terminate this Agreement.

6. With respect to any property seized by any law enforcement agency of Hidalgo County, or any cooperative agency of which Hidalgo County is a party, including, but not limited to, the Hidalgo County Financial Disruption Task Force, **Auctioneer agrees** to store such property for County for the period prior to any sale being conducted. No storage fees will be assessed to County or any cooperative agency as herein described, for the storage o such property, without regard to the fact that such property is not, upon final adjudication, awarded to County, or that County, upon final award or adjudication, elects to retain such property for its own use, rather than to sell it at public or private auction. To the extent permitted by the court in which any forfeiture or seizure proceeding, Auctioneer may elect to charge its usual and customary storage or impoundment fees, consistent with the fee schedule attached hereto as Exhibit "C" and incorporated herein by reference, to the owners of seized property held by Auctioneer which is awarded back to such owners upon final adjudication of the forfeiture or seizure proceeding. The storage are provided by Auctioneer will consist of three (3) acres, fenced, controlled access compound, with guard dog.

7. For all non-law enforcement departments, no property shall be allowed into Auctioneer's compound unless the property has been previously declared surplus through Commissioners' Court. Proof of such action must be requested by Auctioneer. Items being sent to Auctioneer for storage prior to auction must be cleared through the Purchasing Department's Surplus Manager. The Surplus Manager will coordinate with Auctioneer and the respective departments in arranging for the transfer of items that are to be auctioned.

8. The storage area provided by Auctioneer pursuant to Paragraph 6, above, will be open for business at least seven (7) hours, daily, excluding weekends and official County holidays. In addition, Auctioneer will maintain personnel at the storage location 24 hour per day, and will post emergency access telephone numbers for deliveries of property after hours, and on weekends or holidays.

9. Auctioneer will conduct any auction sale required hereunder at any location within Hidalgo County, as requested by County, including Auctioneer auction center. Sales will be scheduled on dates and at times mutually convenient to the parties hereto, and so as to enhance the public's attendance at such sales. In the event a scheduled sale must be canceled by either party hereto, or because of inclement weather, the sale will be rescheduled for the next appropriate date upon which both parties are available.

10. Unless minimum bids are otherwise specified by County in writing prior to the conducting of an auction sale hereunder, all auctions will result in sales of all items to the highest bidder. County will, unless otherwise specified in writing, with sufficient advance notice to Auctioneer for inclusion in any auction catalogue or published listing, convey merchantable title to all goods sold at auction: the parties acknowledge, however, that County may, from time to time, be required to convey items without warranty of title.

11. Auctioneer will indemnify and hold County harmless from any and all claims, actions, liability and expenses (including costs of judgments, settlements, court costs, and attorneys' fees, regardless of the outcome of such claim or action) caused by, resulting from, or alleging negligent or intentional acts or omissions or any failure to perform any obligation undertaken or any covenant in this Agreement, whether such act, omission or failure was Auctioneer or that of any person providing services hereunder by or through Auctioneer. Upon written notice from County, Auctioneer will resist and defend at its own expense, and by counsel reasonably satisfactory to County, any such claim or action.

12. The terms and conditions of the specifications attached hereto as Exhibit "A" and the bid submitted by Auctioneer attached hereto as Exhibit "B" are incorporated herein by reference and are made a part hereof as if such were fully set forth herein. In the event of any conflict between any other term of this Agreement and those terms incorporated herein as a result of this Paragraph II, the provision set forth in the text of this Agreement shall control over the term or condition expressed in the provisions incorporated herein by this Paragraph II.

13. **Miscellaneous Provisions**

13.01 **Conflict with Applicable Law**. Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any present or future law, ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

13.02 **No Waiver**. No waiver by County of any breach of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

13.03 **Entire Agreement.** This Agreement contains the entire contract between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representations or agreements in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by County and Auctioneer, and not otherwise.

13.04 **Texas Law to Apply.** This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas. The parties hereby consent to personal jurisdiction in Hidalgo County, Texas.

13.05 **Notice.** Except as may be otherwise specifically provided in this Agreement, all notices, demands requests or communications required or permitted hereunder shall be in writing

and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to County:	Hidalgo County, Texas Attention: County Judge 100 E. Cano, 2nd Floor Edinburg, Texas 78539
with copy to:	Hidalgo County Purchasing Department Attention: Purchasing Agent 100 E. Cano, 4th Floor Edinburg, Texas 78539
If to Auctioneer	Abrego Towing & Storage, LLC Attention: Anna M. Abrego PO Box 3038 McAllen, Texas 78502

Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the Unites States mail.

13.06 **Additional Documents.** The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

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

13.08 **Assignment.** This Agreement shall not be assignable by either party hereto without the prior written consent of the other. Consent to any assignment of this Agreement shall not constitute consent to any future or subsequent assignment by either party hereto.

13.09 **Headings.** The headings and captions contained in this Agreement are solely for convenient reference and shall not be deemed to affect the meaning or interpretation of any provision or paragraph hereof.

13.10 **Gender and Number.** All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate.

13.11 **Authority to Execute.** The execution and performance of this Agreement by County and Auctioneer have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations to County ad Auctioneer in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Agreement, effective as of the day and year first above written.

COUNTY OF HIDALGO

Juan D. Salinas, III County Judge

ATTEST :

Arturo Guajardo, Jr. County Clerk

COMPANY: Abrego Towing & Storage, LLC

By: Anna M Abrego / ANNA R. ABREGO

Printed Name: ANNA M ABREGO / ANNA R. ABREGO

Title: MANAGER MANAGER

Approved on Commissioners' Court October 9, 2007

APPROVED AS TO FORM
Atlas & Hall, LLP

By:

EXHIBIT "A"
SPECIFICATIONS

Exhibit "A"

HIDALGO COUNTY
"ADDITIONAL AUCTIONEER SERVICES"

BID NO.: # 07-370-09-26-ROL

SPECIFICATION

Project Overview:

Hidalgo County is seeking to contract with a qualified vendor to conduct public auction sales for Trailer/Semi trailer, motorcycles, Travel trailer, and Wholesale "ONLY" called by the Hidalgo County Commissioners Court which require the services of a Licensed Auctioneer, as determined by the Court in its sole discretion on an "AS NEEDED BASIS". Auctioneer shall conduct the public auction sales of personal and/or real property of Hidalgo County including, but not limited to the following:

1.) All Hidalgo County departments under general and road and bridge fund;
2.) State and/or Federal funded programs, i.e. Department of Community Supervision and Corrections, Headstart, WIC, Drainage District #1 and Urban County;
3.) Law Enforcement Agencies, or Cooperative Agencies of which Hidalgo County is party, i.e. Hidalgo County HIDTA Task Force and DPS;

Note: **Agencies shall obtain prior written approval from State and Federal agencies and submit to the Purchasing Department before the sale or disposition of any equipment purchased with funds from State and Federal regardless of cost.**

Specifications & Requirements, Terms & Conditions

1. **Auctioneer shall be licensed to perform public and private auctions within the State of Texas in accordance with all applicable Texas laws & regulations. A copy of the bidders Auctioneer License and Independent Dealer General Distinguishing Number or GDN must be submitted along with the bid for:**

   A. Trailer/Semi trailer
   B. Independent Motorcycles
   C. Travel trailer
   D. Wholesale

Note: **Refer to Texas Department of Transportation form LP021of the Motor Vehicle Division for clarification**

2. Bids will be based on the percentage of gross sale proceeds to be retained by Auctioneer on sales conducted by the Auctioneer during the contract term. Hidalgo County will require documentation (vendor invoice & customer receipt copies) on additional charges **to buyers** (at buyer's' option) for batteries, locksmith services, etc.

3. Auctioneer will make all auction items presentable so as to receive the best possible bid in addition the auctioneer should also start all motorized items that are in working condition during auction.

4. Auctioneer will maintain all insurances and its limits for **Automobile, General, & Worker's Compensation Insurance**. (Refer to Exhibit "C") through out the contract term.

5. Auctioneer will have twenty-four hour security monitoring service (cameras) at Auctioneer location or wherever auctioneer stores property inclosing but not limited for the following;

   1.) All Hidalgo County departments under general and road and bridge fund;
   2.) State and/or Federal funded programs, i.e. Department of Community Supervision and Corrections, Headstart, WIC, Drainage District #1 and Urban County;

3.) Law Enforcement Agencies, or Cooperative Agencies of which Hidalgo County is party, i.e. Hidalgo County HIDTA Task Force and DPS;

6. Auctioneer will be liable for all theft or vandalism of any items which has been accepted for Auction or Storage by awarded Auctioneer.

7. **Auction sales will be conducted at either option A or B sites with prior notice given to the Auctioneer:**

Option A). Auctioneer's premises
Option B). County-owned sites

8. In the event auction sales are conducted on other than County-owned or controlled premises, Auctioneer shall indemnify Hidalgo County harmless from any claims or damages arising out of the conduct of the sale.

9. **Statutory Notification**:
The County will publish at its own expense, pursuant to Chapter 263.153. Of the Texas Local Government Code:
"(a) The Commissioner's Court shall publish notice of a sale of surplus or salvage property in at least one newspaper of general circulation in the County.
(b) The notice must be published on or after the 30th day but before the 10th day before the date of sale".

10. **Promotion of Sale through Auction:**
A). It will be the Auctioneers responsibility to circulate notices promoting the Auction/Sale at the Auctioneer's expense, in English and Spanish (i.e. publication in newspapers).
B). Auctioneer will provide evidence of such promotion to the Hidalgo County Purchasing Departments Fixed Asset Division as part of the documentation submitted with proceeds.

11. Services to be provided by the Auctioneer and staff at **no expense** to Hidalgo County and all mentioned parties shall include, but not limited to, the following:

A). Re-keying, detail carwash (so as to look presentable) and gas;

B) Auctioneer will check in all items submitted by Hidalgo County and all mentioned parties upon receiving any and all equipment and will submit an inventory status report to the Hidalgo County Purchasing Departments Fixed Assets Division on a monthly term;

C). Auctioneer will remove all emblems, logos and exempt license plates from vehicles prior to the auction. All plates will be forwarded to the Hidalgo County's Fixed Asset Division;

D). All copies of any ads, buyers lists, receipts and clearing of all auction proceeds must be forwarded to Hidalgo County Purchasing Departments Fixed Asset Division no later than fifteen (15) working days from the date of the auction.

E). Auctioneer will handle any disputes that may arise during and at the end of auction & may ask for assistance from the Purchasing Department's Fixed Asset Division if required for resolution.

F). Auctioneer must provide a secure fence area of at least 3 (three) acres and an enclosed warehouse (minimum of 1,000 sq.ft.), for storage of all types of vehicles seized/confiscated by law enforcement agencies of Hidalgo County, or any Cooperative agency of which Hidalgo County is a party of, including, but not limited to, the Hidalgo County HIDTA Task Force, DPS and the Hidalgo County District Attorney's Office and other items which Hidalgo County or all mentioned parties wishes to store for auction or storage from all other department(s) or entities. Storage area must be open at least eight (8) hours a day Monday-Friday and must be available for emergencies on nights and weekends.

G). Auctioneer shall announce at each auction, prior to starting, that all vehicles must be registered within twenty (20) working days and that a vehicle to be exported shall be exported within seventy two (72) hours from date of auction sale.

H). Auctioneer shall video tape or record all auctions and submit copies to the County.

I). **Auctioneer will be responsible for preparing and completing the Application for Texas Certificate of Title (form 130U). Texas Motor Vehicle Transfer Notification (form VTR0346) and will stamp all titles and label all vehicles that are to be exported "Export Only" on the front back of the title and vehicle windshields for all County vehicles to be auctioned and submit all copies to the Purchasing Department.**

J). Auctioneer is responsible for retaining records for a period of three years from the date of sale. The records should be made available to the County upon request.

12. No storage fees will be assessed to the County during and at the end of the contract term for any vehicles returned to defendant(s) ,and/or if the County wishes to use the vehicle after it has been awarded to the extent permitted by the Court(s) in any forfeiture or seizure proceeding.

13. Auctioneer may elect to charge its usual and customary storage, wrecker or impoundment fees, consistent with the fee schedules to the owners of seized property held by the Auctioneer which is awarded to such owner upon final adjudication of the forfeiture or seizure proceeding by any Court.

14. No storage fees will be assessed to Hidalgo County for any remaining vehicles upon expiration of the contract term.

15. In the event that the Auctioneer can not respond adequately to the needs of the County by reason of meeting the County's auction schedule or any other reason, the Auctioneer shall advise the County in writing within 24 hours of said inability. The County shall have the right to deduct the cost incurred in having to provide said services from the payment to be made to the Auctioneer under the contract and the existing contract will be canceled.

16. Hidalgo County reserves the right to audit the records of the auctioneer related to the sale(s) of all County property at the auction sales.

17. County items shall be **first priority** in all sales, which may include State and Federal funded departments / programs as identified in project overview. Hidalgo County reserves the right to **add/delete** items from the list up to the day of the auction. Hidalgo County reserves the right to video tape or recordany and all auction sales.

18. Hidalgo County reserves the right to view the proposed premises prior to award of bid.

19. Auctioneer will provide towing service on an "**AS NEEDED BASIS**" to the County.

Terms and Conditions:

1. Successful bidder will be awarded a one (1) year term contract with the County's option to extend the term for an additional two (2) one-year term under the same rates, terms and conditions. The award of a contract does not constitute a representation or guarantee by Hidalgo County that any or all public or private auction sales will be conducted by it during the contract term.

2. Hidalgo County 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 the next contract term.

3. Auctioneer, his employees or agents, or any of his associates, shall not have any personal financial interest, directly or indirectly in the auction, by bidding or causing someone to bid, soliciting or influencing anyone to bid other than through advertising.

4. No fee for Auctioneer Services are payable for items which do not receive the minimum bid or on which County rejects the price offered at auction.

5. The County may, in at sole discretion, allow item(s) with minimum bids established for auction, to be offered for auction as many times as allowed by Commissioners Court, if the minimum bid is not met.

ADDITIONAL INFORMATION:

Hidalgo County is requesting that any and all questions, inquiries and clarifications regarding quotes, bids, proposals or statements of qualifications be addressed to, Martha L. Salazar, CPPB, Purchasing Agent, 100 E. Cano St.-4th Floor, Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

ALL WRITTEN INQUIRIES WILL BE ACCEPTED VIA FACSIMILE NO LATER THAN, Wednesday, September 19, 2007 by 5:00 P.M.. Responses to said inquiries will be sent to all applicants via facsimile by no later than, Friday, September 21, 2007 by 5:00 P.M..

EXHIBIT "B"
FEE SCHEDULE

EXHIBIT "B"
HIDALGO COUNTY
"ADDITIONAL AUCTIONEER SERVICES"
BID NO.: 07-370-09-26-ROL

BID PAGE

A. BID PERCENTAGE % 10%

[B.] **TOWING FEES LARGE VEHICLES (i.e. tractor trailer, buses)**
$ 250.00 Includes: Semi-Trailer(s)
Travel-Trailer(s)

$ 100.00 for motorcycle(s) Only

BIDDER/COMPANY NAME: Abrego Towing & Storage LLC
ADDRESS: P O Box 3038

CITY/STATE/ZIP CODE: McAllen, Texas 78502

PHONE & FAX NO.'S: Office: 956-316-4409 / 956-631-4601 Fax: 956-383-2534
CELLULAR & BEEPER NO.'S: Anna Abrego: 956-292-3287
Shawna R Abrego -Ruiz: 956-648-0779

AUTHORIZED SIGNATURE:

PRINTED NAME: Anna M Abrego / Shawna R Abrego

TITLE: Manager / Manager

[*] STATEMENT: Please review

C-07-069-06-12

STATE OF TEXAS §
§
COUNTY OF HIDALGO §

AMENDMENT TO AUCTIONEER SERVICE AGREEMENT

This AMENDMENT to the AGREEMENT between **ABREGO TOWING & STORAGE, LLC**, (the "Auctioneer") and **HIDALGO COUNTY** (the "County"), effective the 3rd day of October 2007, is made between the Auctioneer and the County, (the "Amendment"), as follows:

WHEREAS, Auctioneer and County entered into an Agreement on August 3, 2007, in which the Auctioneer agreed to provide professional services to conduct public auction sales of surplus and/or seized property belonging to Hidalgo County.(the "Project");

WHEREAS, due to unforeseen circumstances and delays in the Project, the parties now desire to amend the timeframe in which the Auctioneer may perform the services of the Project;

WHEREAS, the parties desire to amend the Agreement as hereinafter provided.

NOW THEREFORE, for and in consideration of the tasks performed by Auctioneer and County and other valuable consideration the receipt and sufficiency of which are hereby acknowledged, and this mutually agreed Amendment to the Agreement, Auctioneer and County hereby agree to the following Amendment to the Agreement:

1. The effective date of the Agreement is delted and the following effective date and is substituted in lieu thereof:

   October 3, 2007

2. Except as modified herein, all terms and conditions of the Agreement, as amended, remain in full force and effect. Auctioneer and County ratify and confirm the terms and provisions of the Agreement as amended.

EXECUTED IN DUPLICATE ORIGINALS and effective as of the day and year first written above.

HIDALGO COUNTY

Juan D. Salinas III, County Judge

ATTEST:

Arturo Guajardo, Jr., County Clerk

Abrego Towing & Storage, LLC

Title: MANAGER / MANAGER

Approved as to Form:

ATLAS & HALL, L.L.P.

By: Stephen L. Crain

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

AGREEMENT FOR AUCTIONEER SERVICES
C-07-069-06-12

THIS AGREEMENT FOR AUCTIONEER SERVICES (the "Agreement") is entered into effective as of this the **3rd** day of **August, 2007** by and between **HIDALGO COUNTY, TEXAS**, ("County") and **Abrego Towing & Storage, Limited Liability Company**, ("Company").

WHEREAS, County has solicited proposals from qualified parties to conduct public auction sales of surplus and/or seized property belonging to County: and

WHEREAS, Auctioneer has submitted a proposal to provide the services required by County in accordance with the request for Bids attache hereto as Exhibit "A" and Auctioneer bid proposal attached hereto as Exhibit "B" and

WHEREAS, County has determined that the proposal by Auctioneer is the lowest and best bid submitted, and a contract should be awarded to Auctioneer; and

WHEREAS, the parties wish to further reduce to writing their representations, warranties and agreements regarding the services to be provided by Auctioneer to County.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows;

1. In the event County, in its sole discretion, determines that surplus or seized property in its possession is to be sold and that the services of a state-licensed auctioneer are required, Auctioneer agrees that it will perform the following services for and on behalf of County, in exchange for the consideration herein expressed (the "Services"): advertising of the sale in at least two issues of the proper local newspaper (including proper disclosures pursuant to Chapter 263 of the Texas Local Government Code). Labeling and set-up of items prior to the auction, preparation and clearing of all auction proceeds prior to delivery of goods to buyer, preparation of all paperwork necessary to transfer title to personal property, issuance of a cashier's check to County for the net sale proceeds, and collection deposit of all sales taxes.

2. For and in consideration of Auctioneer's services hereunder, County agrees to pay Auction a fee equal to ten percent (10%) of the gross sales receipts of any auction conducted by Auctioneer. Such amount may be deducted from the sales receipts by Auctioneer prior to remitting to County the cashier's check for the net sales.

3. The term of this agreement shall be for a period of one (1) year from the effective date

hereof, as first-above written. County, in its sole discretion, may elect to extend the term of this contract for an additional two (2) one year term, under the same rates, terms and conditions. Contract may be extended at the sole discretion of County for an additional sixty (60) days, unless this Contract is terminated pursuant to the provisions herein, whichever occurs first.

4. Auctioneer represents and warrants to County as follows:

(a) Auctioneer is licensed by all appropriate federal, state and local agencies to conduct the Services herein described.

(b) A true and correct copy of Auctioneer's license is attached hereto as Attachment #1 to Exhibit "B"

(c) Auctioneer has been issued a Texas motor vehicle dealer "P" number, as evidenced by Attachment #1 to Exhibit "B".

(b) Auctioneer understands that County retains the sole discretion to determine if an auction is to be conducted which requires the services of a licensed auctioneer, and that the awarding of this bid and the execution of this Agreement by County do not constitute any representation or guaranty that any such auction will occur.

(e) Auctioneer is not required to maintain Workers' Compensation Insurance pursuant to the applicable provisions of Texas Labor Code.

(f) Concurrently with his execution of this Agreement, Auctioneer has presented to County a certificate of insurance indicating A five-hundred thousand general liability insurance policy, naming County as an additional insured, with limits of at least $300,000 providing additional coverage to all underlying liabilities consistent with potential exposure of County in accordance with the Texas Tort Claims Act. Each policy of insurance required hereunder shall extend for a period equivalent to the term of this Agreement, and any insurer hereunder shall be required to give at least thirty (30) days written notice to the County Judge prior to the cancellation of any such coverage on the termination date or otherwise.

(g) County and Auctioneer 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. Auctioneer agrees to promptly notify County of any suspension, termination or revocation of Auctioneer's License or of the liability insurance coverage required, hereunder, in which event County may, in its sole discretion, elect to immediately terminate this Agreement.

6. With respect to any property seized by any law enforcement agency of Hidalgo County, or any cooperative agency of which Hidalgo County is a party, including, but not limited to, the Hidalgo County Financial Disruption Task Force, **Auctioneer agrees** to store such property for County for the period prior to any sale being conducted. No storage fees will be assessed to County or any cooperative agency as herein described, for the storage o such property, without regard to the fact that such property is not, upon final adjudication, awarded to County, or that County, upon final award or adjudication, elects to retain such property for its own use, rather than to sell it at public or private auction. To the extent permitted by the court in which any forfeiture or seizure proceeding, Auctioneer may elect to charge its usual and customary storage or impoundment fees, consistent with the fee schedule attached hereto as Exhibit "C" and incorporated herein by reference, to the owners of seized property held by Auctioneer which is awarded back to such owners upon final adjudication of the forfeiture or seizure proceeding. The storage are provided by Auctioneer will consist of three (3) acres, fenced, controlled access compound, with guard dog.

7. For all non-law enforcement departments, no property shall be allowed into Auctioneer's compound unless the property has been previously declared surplus through Commissioners' Court. Proof of such action must be requested by Auctioneer. Items being sent to Auctioneer for storage prior to auction must be cleared through the Purchasing Department's Surplus Manager. The Surplus Manager will coordinate with Auctioneer and the respective departments in arranging for the transfer of items that are to be auctioned.

8. The storage area provided by Auctioneer pursuant to Paragraph 6, above, will be open for business at least seven (7) hours, daily, excluding weekends and official County holidays. In addition, Auctioneer will maintain personnel at the storage location 24 hour per day, and will post emergency access telephone numbers for deliveries of property after hours, and on weekends or holidays.

9. Auctioneer will conduct any auction sale required hereunder at any location within Hidalgo County, as requested by County, including Auctioneer auction center. Sales will be scheduled on dates and at times mutually convenient to the parties hereto, and so as to enhance the public's attendance at such sales. In the event a scheduled sale must be canceled by either party hereto, or because of inclement weather, the sale will be rescheduled for the next appropriate date upon which both parties are available.

10. Unless minimum bids are otherwise specified by County in writing prior to the conducting of an auction sale hereunder, all auctions will result in sales of all items to the highest bidder. County will, unless otherwise specified in writing, with sufficient advance notice to Auctioneer for inclusion in any auction catalogue or published listing, convey merchantable title to all goods sold at auction: the parties acknowledge, however, that County may, from time to time, be required to convey items without warranty of title.

11. Auctioneer will indemnify and hold County harmless from any and all claims, actions, liability and expenses (including costs of judgments, settlements, court costs, and attorneys' fees, regardless of the outcome of such claim or action) caused by, resulting from, or alleging

negligent or intentional acts or omissions or any failure to perform any obligation undertaken or any covenant in this Agreement, whether such act, omission or failure was Auctioneer or that of any person providing services hereunder by or through Auctioneer. Upon written notice from County, Auctioneer will resist and defend at its own expense, and by counsel reasonably satisfactory to County, any such claim or action.

12. The terms and conditions of the specifications attached hereto as Exhibit "A" and the bid submitted by Auctioneer attached hereto as Exhibit "B" are incorporated herein by reference and are made a part hereof as if such were fully set forth herein. In the event of any conflict between any other term of this Agreement and those terms incorporated herein as a result of this Paragraph II, the provision set forth in the text of this Agreement shall control over the term or condition expressed in the provisions incorporated herein by this Paragraph II.

13. **Miscellaneous Provisions**

13.01 **Conflict with Applicable Law**. Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any present or future law, ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

13.02 **No Waiver**. No waiver by County of any breach of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

13.03 **Entire Agreement.** This Agreement contains the entire contract between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representations or agreements in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by County and Auctioneer, and not otherwise.

13.04 **Texas Law to Apply.** This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas. The parties hereby consent to personal jurisdiction in Hidalgo County, Texas.

13.05 **Notice.** Except as may be otherwise specifically provided in this Agreement, all notices, demands requests or communications required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to County:	Hidalgo County, Texas Attention: County Judge 100 E. Cano, 2nd Floor Edinburg, Texas 78539
with copy to:	Hidalgo County Purchasing Department Attention: Purchasing Agent 100 E. Cano, 4th Floor Edinburg, Texas 78539
If to Auctioneer	Abrego Towing & Storage, LLC Attention: Anna M. Abrego PO Box 3038 McAllen, Texas 78502

Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the Unites States mail.

13.06 **Additional Documents.** The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

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

13.08 **Assignment.** This Agreement shall not be assignable by either party hereto without the prior written consent of the other. Consent to any assignment of this Agreement shall not constitute consent to any future or subsequent assignment by either party hereto.

13.09 **Headings.** The headings and captions contained in this Agreement are solely for convenient reference and shall not be deemed to affect the meaning or interpretation of any provision or paragraph hereof.

13.10 **Gender and Number.** All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate.

13.11 **Authority to Execute.** The execution and performance of this Agreement by County and Auctioneer have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations o County ad Auctioneer in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Agreement, effective as of the day and year first above written.

COUNTY OF HIDALGO

Juan d. Salinas, III County Judge

ATTEST :

Arturo Guajardo, Jr. County Clerk

COMPANY: Abrego Towing & Storage, LLC

By: Anna M Abrego / Shawna R. Abrego-Ruiz

Printed Name: Anna M Abrego / Shawna R. Abrego-Ruiz

Title: MANAGERS

Approved on Commissioners' Court June 12, 2007

APPROVED AS TO FORM
Atlas & Hall, LLP

By:

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

EXHIBIT "A"
REQUIREMENTS

ADDENDUM NO. 1

April 18, 2007

"HIDALGO COUNTY
AUCTIONEER SERVICES"
BID NO.: 07-069-05-02-ROL
Bid Opening Date: MAY 2, 2007

PLEASE NOTE CHANGES AS FOLLOWS:

No. 1 **EXHIBIT A**

11. Services to be provided by the Auctioneer and staff at no expense to Hidalgo County and all mentioned parties shall include, but not limited to, the following:

OMIT LETTER G
G). Auctioneer will provide towing service on an "AS NEEDED BASIS' to the County;

ADD NUMBER 19
19. Auctioneer will provide towing service on an "AS NEEDED BASIS' to the County;

I, _____, acknowledge receipt of ADDENDUM NO. 1 dated, April 18, 2007, for RFB-"HIDALGO COUNTY –AUCTIONEER SERVICES", date modifications.

_____ _____

Printed Bidder Name Date

NOTE: PLEASE SUBMIT THIS ORIGINAL ADDENDUM WITH YOUR BID PACKET, IN ORDER TO COMPLETE THE BID.....

Exhibit "A"

HIDALGO COUNTY BID SPECIFICATIONS
"AUCTIONEER SERVICES"

BID NO.: # 07-069-05-02-ROL

Project Overview:

Hidalgo County is seeking to contract with a qualified vendor to conduct all public auction sales of personal and/or real property called by the Hidalgo County Commissioners Court which require the services of a Licensed Auctioneer, as determined by the Court in its sole discretion on an "AS NEEDED BASIS". Auctioneer shall conduct the public auction sales of personal and/or real property of Hidalgo County including, but not limited to the following:

1.) All Hidalgo County departments under general and road and bridge fund;
2.) State and/or Federal funded programs, i.e. Department of Community Supervision and Corrections, Headstart, WIC, Drainage District #1 and Urban County;
3.) Law Enforcement Agencies, or Cooperative Agencies of which Hidalgo County is party, i.e. Hidalgo County HIDTA Task Force and DPS;

Note: Agencies shall obtain prior written approval from State and Federal agencies and submit to the Purchasing Department before the sale or disposition of any equipment purchased with funds from State and Federal regardless of cost.

Specifications & Requirements, Terms & Conditions

1. Auctioneer shall be licensed to perform public and private auctions within the State of Texas in accordance with applicable Texas laws & regulations. A copy of the bidders Auctioneer License and Texas Vehicle Dealers "P" number must be submitted along with the bid.
(A listing & copies of all Licenses currently held shall be provided along with bid).

2. Bids will be based on the percentage of gross sale proceeds to be retained by Auctioneer on sales conducted by the Auctioneer during the contract term. Hidalgo County will require documentation (vendor invoice & customer receipt copies) on additional charges to buyers (at buyer's' option) for batteries, locksmith services, etc.

3. Auctioneer will make all vehicles and equipment presentable so as to receive the best possible bid in addition the auctioneer should also start all vehicles that are in working condition during auction.

4. Auctioneer will maintain through out the contract term, all insurances and its limits for **Automobile, General, & Worker's Compensation Insurance**. (Refer to Exhibit "C").

5. Auctioneer will have twenty-four hour security monitoring service at Auctioneer location or wherever auctioneer stores property inclosing but not limited for the following;

   1.) All Hidalgo County departments under general and road and bridge fund;
   2.) State and/or Federal funded programs, i.e. Department of Community Supervision and Corrections, Headstart, WIC, Drainage District #1 and Urban County;
   3.) Law Enforcement Agencies, or Cooperative Agencies of which Hidalgo County is party, i.e. Hidalgo County HIDTA Task Force and DPS;

6. Auctioneer will be liable for all theft or vandalism of any items which has been accepted for Auction or Storage by awarded Auctioneer.

7. **Auction sales will be conducted at either option A or B sites with prior notice given to the Auctioneer:**

Option A). Auctioneer's premises
Option B). County-owned sites

8. In the event auction sales are conducted on other than County-owned or controlled premises, Auctioneer shall indemnify Hidalgo County harmless from any claims or damages arising out of the conduct of the sale.

9. **Statutory Notification**:
The County will publish at its own expense, pursuant to Chapter 263.153. Of the Texas Local Government Code:
"(a) The Commissioner's Court shall publish notice of a sale of surplus or salvage property in at least one newspaper of general circulation in the County.
(b) The notice must be published on or after the 30th day but before the 10th day before the date of sale".

10. **Promotion of Sale through Auction:**
A). It will be the Auctioneers responsibility to circulate notices promoting the Auction/Sale at the Auctioneer's expense, in English and Spanish (i.e. publication in newspapers).
B). Auctioneer will provide evidence of such promotion to the Hidalgo County Purchasing Departments Fixed Asset Division as part of the documentation submitted with proceeds.

* 11. Services to be provided by the Auctioneer and staff at **no expense** to Hidalgo County and all mentioned parties shall include, but not limited to, the following:

A). Re-keying, detail carwash (so as to look presentable) and gas;

B) Auctioneer will check in all items submitted by Hidalgo County and all mentioned parties upon receiving any and all equipment and will submit an inventory status report to the Hidalgo County Purchasing Departments Fixed Assets Division on a monthly term;

C) Label & set-up of groups or lots of equipment should be individually identified and marked on the inventory list with a group or lot number;

D). Auctioneer will remove all emblems, logos and exempt license plates from vehicles prior to the auction. All plates will be forwarded to the Hidalgo County's Fixed Asset Division;

E). All copies of any ads, buyers lists, receipts and clearing of all auction proceeds must be forwarded to Hidalgo County Purchasing Departments Fixed Asset Division no later than fifteen (15) working days from the date of the auction.

F). Auctioneer will handle any disputes that may arise during and at the end of auction & may ask for assistance from the Purchasing Department's Fixed Asset Division if required for resolution.

* G). Auctioneer will provide towing service on an **"AS NEEDED BASIS'** to the County;

H). Auctioneer must provide a secure fence area of at least 3 (three) acres and an enclosed warehouse (minimum of 1,000 sq.ft.), for storage of vehicles and equipment seized/confiscated by law enforcement agencies of Hidalgo County, or any Cooperative agency of which Hidalgo County is a party of, including, but not limited to, the Hidalgo County HIDTA Task Force, DPS and the Hidalgo County District Attorney's Office and other items which Hidalgo County or all mentioned parties wishes to store for auction or storage from all other department(s) or entities. Storage area must be open at least eight (8) hours a day Monday-Friday and must be available for emergencies on nights and weekends.

I). Auctioneer shall announce at each auction, prior to starting, that all vehicles must be registered within twenty (20) working days and that a vehicle to be exported shall be exported within seventy two (72) hours from date of auction sale.

J). Auctioneer shall video tape or record all auctions and submit copies to the County.

* PLEASE VIEW ADDENDUM NO. 1

K). Auctioneer will be responsible for preparing and completing the application for Texas Certificate of Title (form 130U). Texas Motor Vehicle Transfer Notification (form VTR0346) and will stamp all titles and label all vehicles that are to be exported "Export Only" on the front back of the title and vehicle windshields for all County vehicles to be auctioned and submit all copies to the Purchasing Department.

L). Auctioneer is responsible for retaining records for a period of three years from the date of sale. The records should be made available to the County upon request.

12. No storage fees will be assessed to the County during and at the end of the contract term for any vehicles returned to defendant(s) ,and/or if the County wishes to use the vehicle after it has been awarded to the extent permitted by the Court(s) in any forfeiture or seizure proceeding.

13. Auctioneer may elect to charge its usual and customary storage, wrecker or impoundment fees, consistent with the fee schedules to the owners of seized property held by the Auctioneer which is awarded to such owner upon final adjudication of the forfeiture or seizure proceeding by any Court.

14. No storage fees will be assessed to Hidalgo County for any remaining vehicles upon expiration of the contract term.

15. In the event that the Auctioneer can not respond adequately to the needs of the County by reason of meeting the County's auction schedule or any other reason, the Auctioneer shall advise the County in writing within 24 hours of said inability. The County shall have the right to deduct the cost incurred in having to provide said services from the payment to be made to the Auctioneer under the contract and the existing contract will be canceled.

16. Hidalgo County reserves the right to audit the records of the auctioneer related to the sale(s) of all County property at the auction sales.

17. County items shall be **first priority** in all sales, which may include State and Federal funded departments / programs as identified in project overview. Hidalgo County reserves the right to **add/delete** items from the list up to the day of the auction. Hidalgo County reserves the right to video tape or recordany and all auction sales.

18. Hidalgo County reserves the right to view the proposed premises prior to award of bid.

Terms and Conditions:

1. Successful bidder will be awarded a one (1) year term contract with the County's option to extend the term for an additional two (2) one-year term under the same rates, terms and conditions. The award of a contract does not constitute a representation or guarantee by Hidalgo County that any or all public or private auction sales will be conducted by it during the contract term.

2. Hidalgo County 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 the next contract term.

3. Auctioneer, his employees or agents, or any of his associates, shall not have any personal financial interest, directly or indirectly in the auction, by bidding or causing someone to bid, soliciting or influencing anyone to bid other than through advertising.

4. No fee for Auctioneer Services are payable for items which do not receive the minimum bid or on which County rejects the price offered at auction.

5. The County may, in at sole discretion, allow item(s) with minimum bids established for auction, to be offered for auction as many times as allowed by Commissioners Court, if the minimum bid is not met.

ADDITIONAL INFORMATION:

Hidalgo County is requesting that any and all questions, inquiries and clarifications regarding quotes, bids, proposals or statements of qualifications be addressed to, Martha L. Salazar, CPPB, Purchasing Agent, 100 E. Cano St.-4th Floor, Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

ALL WRITTEN INQUIRIES WILL BE ACCEPTED VIA FACSIMILE NO LATER THAN, Wednesday, April 25, 2007 by 5:00 P.M.. Responses to said inquiries will be sent to all applicants via facsimile by no later than, Friday, April 27, 2007 by 5:00 p.m.

EXHIBIT "B"
FEE SCHEDULE

HIDALGO COUNTY
"AUCTIONEER SERVICES"
BID NO.: 07-069-05-02-ROL

BID PAGE

BID PERCENTAGE % 10%

TOWING FEES SMALL VEHICLES (i.e. cars, pickups)
$ 75.00* * **UP TO ONE TON ONLY**

TOWING FEES LARGE VEHICLES (i.e. tractor trailer, buses)
$ 250.00 * * **OVER ONE TON AND HIGHER**
TRACTOR RIG: TRACTOR: $250.00
TRAILER: $250.00

BIDDER/COMPANY NAME: ABREGO TOWING & STORAGE, LLC
ADDRESS: P O BOX 3038

CITY/STATE/ZIP CODE: MCALLEN, TEXAS 78502

PHONE & FAX NO.'S: OFFICE: 956-631-4601
CELLULAR & BEEPER NO.'S: FAX: 956-383-2534
CELL NUMBERS: Anna Abrego 956-282-3287
Shawna Abrego-Ruiz 956-648-0779

AUTHORIZED SIGNATURE:

PRINTED NAME: Shawna Abrego-Ruiz Anna M Abrego

TITLE: Managers

EXHIBIT "B"

ATTACHMENT #1

Control No. 102530

Texas Department of Transportation

MOTOR VEHICLE BOARD

INDEPENDENT MOTOR VEHICLE DEALER

GENERAL DISTINGUISHING NO: P43671

EXPIRES: 11/30/2007

MANUEL ABREGO
ABREGO TRUCKING SERVICE & AUTO SALES
7101 N 33RD ST
MCALLEN TX 78504

PHYSICAL LOCATION
1/4 MILE W FM 2812

EDINBURG TX 78539

THIS DEALERSHIP IS LICENSED AS AN INDEPENDENT MOTOR VEHICLE DEALER.
SUPPLEMENTAL LOCATION:

HAVING SATISFIED THE APPLICABLE REQUIREMENTS OF CHAPTER 2301 OF THE TEXAS OCCUPATIONS CODE, CHAPTER 503 OF THE TEXAS TRANSPORTATION CODE, AND THE RULES OF THE TRANSPORTATION COMMISSION, THE PERSON NAMED ABOVE IS HEREBY LICENSED WITH THE TEXAS DEPARTMENT OF TRANSPORTATION, MOTOR VEHICLE DIVISION.

Brett Bray

BRETT BRAY, Director
Texas Department Of Transportation
Motor Vehicle Division

WARNING: PENAL CODE SECTION 37.10, PROVIDES THAT TAMPERING WITH A GOVERNMENTAL RECORD IS AN OFFENSE PUNISHABLE AS A SECOND-DEGREE FELONY.

Texas Department of Transportation
VEHICLE STORAGE FACILITY LICENSE

0617128VSF

ANNA M. ABREGO & SHAWNA ABREGO-RUIZ
POBOX 3038
MCALLEN TX 78502 -

Be It Known That :

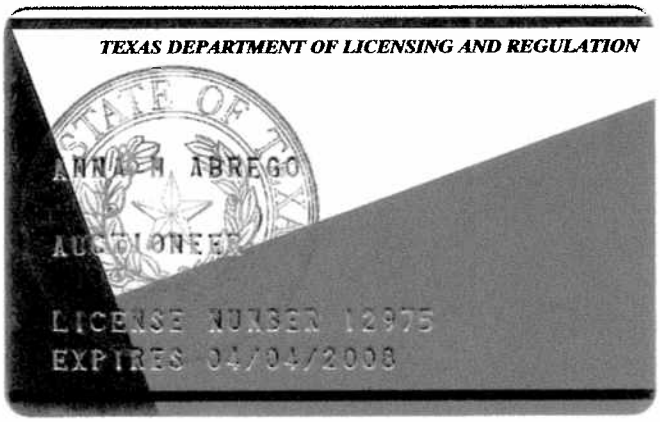
ANNA M. ABREGO & SHAWNA ABREGO-RUIZ

Located at:
1/4 MILE WEST FM 2812
EDINBURG TX 78539 -

Has paid the required fee, satisfied the prerequisites for a license as a TEXAS VEHICLE STORAGE FACILITY under the Vehicle Storage Facility Act, and has agreed to comply with its provisions. This license is issued on 10 November, 2006 and shall expire on 10 November, 2007.

This license is NON-TRANSFERABLE and NON-ASSIGNABLE

MCCS User


TEXAS DEPARTMENT OF LICENSING AND REGULATION
ANNA M ABREGO
AUCTIONEER
LICENSE NUMBER 12975
EXPIRES 04/04/2008

01-300 (Rev.1-07/17)

TEXAS SALES AND USE TAX PERMIT

This permit is not transferable, and this side must be prominently displayed in your place of business.

Merchants: A copy of this permit does not replace a resale or exemption certificate. You will be responsible for sales tax unless you have a valid resale/exemption certificate on file.

You must obtain a new permit if there is a change of ownership, location, or business location name.

TAXPAYER NAME, BUSINESS LOCATION NAME, and PHYSICAL LOCATION

ABREGO TOWING AND STORAGE LLC

ABREGO TOWING AND STORAGE LLC
1/4 MILE WEST FM 2812
EDINBURG TX 78539

Type of permit	SALES AND USE TAX
Taxpayer number	3-20212-0795-9
Location number	00001
First business date	10/25/2006

NAICS CODE: 484110 DESCRIPTION ON NEXT LINE:
General Freight Trucking, Local
WE SHOW THIS BUSINESS IN THE FOLLOWING LOCAL SALES TAX AUTHORITIES:
CITY: EDINBURG EFF: 10/25/2006

Susan Combs
SUSAN COMBS
Comptroller of Public Accounts

YOU MAY NEED TO COLLECT SALES AND/OR USE TAX FOR OTHER LOCAL TAXING AUTHORITIES DEPENDING ON YOUR TYPE OF BUSINESS.
If you have any questions regarding sales tax, you may contact the Texas State Comptroller's field office in your area or call 1-800-252-5555, toll free, nationwide. The Austin number is 512/463-4600.

AI-11351 **19.A.13.**

ACTUARIAL SERVICES FOR GASB 43 AND/OR 45
CC REGULAR

Date: 09/30/2008
Submitted By: Vangie Garcia, PURCHASING DEPT.
Submitted For: RAY EUFRACIO
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Hidalgo County

Information

CAPTION

Requesting authority to exercise the one (1) year option to extend (as provided in current contract) for: C-06-231-01-16-HIDALGO COUNTY-ACTUARIAL SERVICES FOR GASB 43 and/or 45, under the same rates, terms, and conditions with Milliman Consultants and Acturaries.

BACKGROUND

Contract will become effective on January 17, 2009, terminating on January 16, 2010. Has the sixty (60) day grace period extension after expiration of the contract.

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-2201-415-00-115-009-0-311
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

This is an extension of current contract for 2009; 2008 Adjusted Budget $8,009.00, presume similar funding for 2009.

Attachments

Link: AUDITOR'S LETTER OF APPROVAL

Link: C-06-231-01-16 MILLIMAN CONTRACT

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 10:57 AM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 02:51 PM	APRV
3	Ivan Cantu	Ivan Cantu	09/26/2008 09:41 AM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 02:38 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 04:36 PM	APRV

Form Started By: Vangie Garcia Started On: 09/24/2008 01:04 PM

Final Approval Date: 09/26/2008

Evangelina Garcia

From: Evangelina Garcia [evangelina.garcia@co.hidalgo.tx.us]
Sent: Wednesday, September 24, 2008 11:18 AM
To: 'Linda Fong'
Subject: RE: C-06-231-01-16-MILLIMAN CONSULTANTS AND ACTUARIES

Good Morning Linda,

Yes, it's in the "Exhibit A-Requirements", we can do an additional sixty (60) day extension before the final term is expired, that way Milliman will have an additional sixty (60) days to work with. Ok, I will place an item on the agenda for Tuesday's Court for approval. Thank you and if you have any other questions, concerns, please let me know.

From: Linda Fong [mailto:linda.fong@auditor.co.hidalgo.tx.us]
Sent: Wednesday, September 24, 2008 11:04 AM
To: 'Evangelina Garcia'; 'Ray Eufracio'
Cc: 'Darlene Betancourt'
Subject: RE: C-06-231-01-16-MILLIMAN CONSULTANTS AND ACTUARIES

Vangie,

Please proceed to extend the contract for one additional year with Milliman Consultants for actuarial services. I spoke to Brian Wilson today and he stated that the actuarial report for year 2009 (the 2007 actuarial report is good for two years) car be completed in 2009 so long as they receive all the necessary data from the County.

P.S. Can the contract be extended a few days, weeks, months in case Milliman has not completed the actuarial report by the termination date of January 2010?

Linda

From: Evangelina Garcia [mailto:evangelina.garcia@co.hidalgo.tx.us]
Sent: Tuesday, September 23, 2008 4:06 PM
To: Ray Eufracio; 'Linda Fong'
Cc: 'Darlene Betancourt'
Subject: C-06-231-01-16-MILLIMAN CONSULTANTS AND ACTUARIES
Importance: High

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

SERVICE CONTRACT
C-06-231-01-16

THIS CONTRACT is made and entered in this **16th** day of **January, 2007** by and between the **County Of Hidalgo**, TEXAS ("County"), and **Milliman, Inc.**, a Texas Corporation ("Company").

WHEREAS, Company has offered to perform actuary services for Hidalgo County as more particularly prescribed on Exhibit "A" which is attached hereto and incorporated herein by reference (the "Service"); and

WHEREAS, in recognition of and in consideration of Company's agreement to perform the Services, the Commissioners Court of County desires to award a contract to Company to perform the Services.

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 Actuary Services at the offices of Hidalgo County. 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. 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 of two (2) years beginning **January 16, 2007** with County's option to renew for an additional one (1) year, at 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, of which may be required by any authority during the term hereof to provide the Services.

5. 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.

6. Company shall provide, to the extent it deems necessary, insurance in force on all persons connected with providing services under this Contract naming County as an additional insured on the General Liability policy, and shall furnish to County certificates of such insurance coverage as described on Exhibit "C" attached hereto, notwithstanding anything to the contrary on RFP/Q No: 2006-231-11-15-VYG.

7. Subject to the limitations contained in Section 8 herein, 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 negligent provision of the Service by Company under this Contract. Said indemnity shall cover any negligent act or failure to act by the Company, its agents or employees.

8. **Company will perform all services in accordance with applicable professional standards. The parties agree that Company, its officers, directors, agents and employees, shall not be liable to County, under any theory of law including negligence, tort, breach of contract or otherwise, for any damages which exceed One Million Dollars ($1,000,000). In no event shall Company be liable for lost profits of County or any other type of incidental or consequential damages. The foregoing limitations shall not apply in the event of the gross negligence, intentional fraud or willful misconduct of Company.**

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

10. Company's work is prepared solely for the use and benefit of County, in accordance with its statutory and regulatory requirements. Company recognizes that materials it delivers to County may be public records subject to disclosure to third parties, however, Company does not intend to benefit and assumes no duty or liability to any third parties who receive Company's work and may include disclaimer language on its work product so stating. County agrees not to remove any such disclaimer language from Company's work. To the extent that Company's work is not subject to disclosure under applicable public records laws, County agrees that it shall not disclose Company's work product to third parties without Company's prior written consent; provided , however, that County may distribute Company's work to (i) its professional service providers who are subject to a duty of confidentiality and who agree to not use Company's work product for any purpose other than to provide services to County, or (ii) any applicable or governmental agency, as required.

11. 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: **Milliman, Inc.**
Attn: James Tumlinson, Jr.
333 Clay Street, Ste. 4330
Houston, Texas 77002

12. 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.

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

14. 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 the County has no supervision of the performance of the Services provided by Company, and that Company is an independent contractor under this Contract.

15. 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.

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

17. 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.

18. In the event that, during any term hereof, the Commissioners Court does not appropriate sufficient funds to meet the obligations of County under this Agreement, County may terminate this Agreement upon ninety (90) days written notice to Company. County agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of Buyer pursuant to the provisions of Tex. Loc. Govt. Code Ann. § 271.903 (Vernon Supp. 1996). The Company shall be entitled to compensation for satisfactory services rendered to County prior to the effective date of termination.

19. 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: Milliman Inc.

By:_____
PRINCIPAL

_____

Approved on Commissioners' Court January 16, 2007

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

By:_____

EXHIBIT "A"

HIDALGO COUNTY

For the purpose of providing Professional Actuary Consulting Services for the implementation of GASB 43 and/or 45 for Hidalgo County's Post-Employment Benefits Package (OPEB) for Health Benefits for Retired Employees.

RFP&Q NO: 2006-231-11-15-VYG-Hidalgo County-Actuarial Services For GASB 43 and/or 45.

TASKS AND/OR SERVICES SHALL INCLUDE, BUT NOT LIMITED TO:

A. Conduct a complete needs assessment desired study completion date within six weeks of receipt of all data.
B. Will be required to make a formal presentation of the "Actuarial Study" to Hidalgo County Commissioners Court.
C. Analyze the date to access any inconsistencies and make recommendations for enhancing date quality.
D. Prepare an actuarial evaluation following GASB 43 and/or 45 standards.
E. Study must include the following:

- The actuarial present value of total projected benefits.
- Actuarial accrued liability.
- Actuarial value of assets.
- The unfunded actuarial accrued liability.
- Normal Cost
- Annual required contribution of the employer-as a level dollar amount and as a level percentage of covered payroll.
- Net OPEB obligation (for employer disclosure under GASB statement 45 if necessary).
- Prepare the necessary material for the Comprehensive Annual Financial Report to comply with GASB OPEB reporting and disclosure requirements.
- Prepare the annual gain/loss analysis to determine reasons for changes in the unfunded actuarial accrued liability, whenever a prior actuarial valuation is available to support this.
- Determine the implicit rate subsidy, if any, and the impact it would have on the OPEB liability.
- Prepare an analysis to determine how establishing a trust or equivalent arrangement would affect the interest rate assumption. Timing considerations of establishing the trust should also be considered.
- Prepare a cash flow analysis (the "pay-as-you-go-cost"). **Optional**
- Prepare sensitivity analysis showing the impact of alternative assumptions on the employer's contributions (healthcare trend rates and investment rate

assumptions) **Optional**

- If there is not a trust established, determine the difference in liability based upon the investment returns under a diversified portfolio versus a short-term fixed income portfolio. **Optional**
- As appropriate, provide recommendations on managing the OPEB liability. This may include changes in plan design. **Optional**
- As appropriate, review and update plan documents and design. Make recommendations as to formalizing informal plans. **Optional**

EXHIBIT "B"

PAYMENT SCHEDULE

Fees for Services

Initial Valuation: $25,000.00
Plan Design and Funding: Provided as needed and based on scope of services

Ongoing Valuation: $25,000.00

(Best and Final Offer Clarification was presented to Commissioners Court on Tuesday, May 15,2007 and it was approved as referenced above.

EXHIBIT "C"

INSURANCE REQUIREMENTS

The Bidder awarded the contract shall furnish proof of insurance, which will also include any subcontractor that is subcontracted by the bidder in at least the following limits, to be in place prior to providing any services under this Contract and to continue at all times in force in effect during the term of this Contract:

1. Professional liability insurance policy with limits of at least One Million Dollars ($1,000,000) per claim.

2. Automobile liability insurance policy with limits of at least Three Hundred Thousand Dollars ($300,000.00) per person and $500,000.00 per occurrence, consistent with potential exposure to Hidalgo County under the Texas Tort Claims Act. Coverage should include injury to or death of persons and property damage claims (with limits up to $500,000.00) arising out of the services provided to Hidalgo County hereunder;

3. Uninsured/Underinsured motorist coverage in an amount equal to the bodily injury limits set forth immediately above;

4. A Five Hundred Thousand Dollar ($500,000.00) Comprehensive General Liability insurance policy providing additional coverage to Hidalgo County consistent with potential exposure of Hidalgo County under the Texas Tort Claims Act;

5. Workers compensation insurance in amounts established by Texas law, unless the Bidder is specifically exempted from the Texas Workers' Compensation Act, Texas Labor Code Chapter 401, et. seq.

Certificates of insurance naming Hidalgo County as an additional insured on the General Liability policy shall be submitted to Hidalgo County for approval prior to any services being performed by Contractor. Each policy of insurance required hereunder shall extend for a period equivalent to, or longer than the term of the Contract, and any insurer hereunder shall be required to give at least thirty (30) days written notice to Hidalgo County prior to the cancellation of any such coverage on the termination date, or otherwise. This Contract shall be automatically suspended upon the cancellation, or other termination, of any required policy of insurance hereunder, and such suspension shall continue until evidence of adequate replacement coverage is provided to Hidalgo County. If replacement coverage is not provided within thirty (30) days following suspension of the Contract, this Contract shall automatically terminate.

12. **A. Requesting exemption from competitive requirements under Texas Local Government Code,Section 262.024 (a)(7) and approval of a Sole Source Declaration of Remington Technologies Division for the sell of Eye Ball (Kit) which is sold to law enforcement agencies, only. (See attachments).**

    On motion of Commissioner Handy, seconded by Commissioner Palacios, the Court made a UNANIMOUS vote of approval.

    B. Presentation for discussion, consideration and acceptance of purchase of radios and equipment from Motorola in a total amount of $1,750.00 through the County's interlocal agreement with HGAC pricing includes shipping and HGAC fees.

    On motion of Commissioner Garza, seconded by Commissioner Handy, the Court made a UNANIMOUS vote of approval.

13. **Requesting authority to advertise with approval of draft specifications attached hereto for: "Lubricants (Grease, Oil, Hydraulic Fluids) and Anti-Freeze Products". RFB No. 2007-22-02-07-otm**

    On motion of Commissioner Garza, seconded by Commissioner Flores, the Court made a UNANIMOUS vote of approval.

14. **Presentation for discussion, acceptance, and approval of the final negotiated contract (subject to legal review) with Milliman, Inc. for the projected amount of $20,000.00 for the implementation of REP NO: 2006-231-11-15-VYG-Hidalgo County-Actuarial Services For GASB 43 and/or 45.**

    On motion of Commissioner Garza, seconded by Commissioner Palacios, the Court made a UNANIMOUS vote of approval.

15. **Approval of Request for Payment Application No. 6 in the amount of $116,721.75 from Joe Williamson Construction Co., Inc., contracted vendor for "Construction of Offices at the Property fka the K-Mart Building" and as certified for payment by project architect Rike Ogden Figueroa Allex Architects.; C-06-092-07-25.**

    On motion of Commissioner Garza, seconded by Commissioner Handy, the Court made a UNANIMOUS vote of approval.

16. **Requesting authority to advertise with approval of draft specifications attached hereto for: "Drinking and/or Spring Bottled Water Service. RFB No. 2007-020-02-07-otm**

    On motion of Commissioner Flores, seconded by Commissioner Handy, the Court made a UNANIMOUS vote of approval.

Client#: 8443 MILLIMAN

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 06/20/08

PRODUCER
Parker Smith & Feek, Inc.
Bellevue Office
2233 112th Avenue NE
Bellevue, WA 98004

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
Milliman Inc.
1301 Fifth Ave., Suite 3800
Seattle, WA 98101-2605

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Great Northern Ins. Co.	
INSURER B: Great Northern Ins. Co.	
INSURER C: Pacific Indemnity Co.	
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 LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	X	GENERAL LIABILITY	35825959	06/30/08	06/30/09	EACH OCCURRENCE	$1,000,000
		COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	$1,000,000
		CLAIMS MADE [X] OCCUR				MED EXP (Any one person)	$10,000
						PERSONAL & ADV INJURY	$1,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER:				GENERAL AGGREGATE	$2,000,000
		POLICY [ ] PRO-JECT [X] LOC				PRODUCTS - COMP/OP AGG	$1,000,000
B		AUTOMOBILE LIABILITY	73525432	06/30/08	06/30/09	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
		[X] ANY AUTO				BODILY INJURY (Per person)	$
		[ ] ALL OWNED AUTOS					
		[ ] SCHEDULED AUTOS				BODILY INJURY (Per accident)	$
		[X] HIRED AUTOS					
		[X] NON-OWNED AUTOS				PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	$
		[ ] OCCUR [ ] CLAIMS MADE				AGGREGATE	$
							$
		[ ] DEDUCTIBLE					$
		[ ] RETENTION $					$
C		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	71719457	06/30/08	06/30/09	[X] WC STATU-TORY LIMITS [ ] OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$1,000,000
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$1,000,000
						E.L. DISEASE - POLICY LIMIT	$1,000,000
A		OTHER	35825959	06/30/08	06/30/09	$1,000,000 Ea. Accident	
		Employers Liab.	WA & OH STOP GAP			$1,000,000 Ea. Employee	
			GAP			$1,000,000 Policy Limit	

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

Addendum #1-RFP/Q NO: 2006-231-11-15-VYG-Hidalgo County-Actuarial Services for GASB 43 and/or45 Project. County of Hidalgo is included as Additional Insureds as respects the operations of the Named Insured as required by written contract regarding General Liability as set forth in the terms and conditions of Form 80-02-2367 Ed. 08/04).

CERTIFICATE HOLDER

COUNTY OF HIDALGO
100 E. Cano
Edinburg, TX 78539

CANCELLATION Ten Day Notice for Non-Payment of Premium

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 45 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
Shannon Gifford

© ACORD CORPORATION 1988

Liability Insurance

Endorsement

Policy Period 06/30/08 - 06/30/09

Effective Date 06/30/08

Policy Number 35825959

Insured Milliman, Inc.

Name of Company Great Northern Insurance Company (Chubb)

Date Issued 06/30/08

This Endorsement applies to the following forms:

Under Who Is An Insured, the following provision is added:

Who Is An Insured

ScheduledPerson Or Organization

Subject to all of the terms and conditions of this insurance, any person or organization shown in the Schedule, acting pursuant to a written contract or agreement between you and such person or organization, is an Insured; but they are Insureds only with respect to liability arising out of your operations, or your premises, if you are obligated, pursuant to such contract or agreement, to provide them with such insurance as is afforded by this policy.

However, no such person or organization is an insured with respect to any:

- assumption of liability by them in a contract or agreement. This limitation does not apply to the liability for damages for injury or damage, to which this insurance applies, that the person or organization would have in the absence of such contract or agreement.
- damages arising out of their sole negligence.

Schedule

AI-11273 **19.A.14.**

Approval of AIA for of Agreement for Courthouse Assessment and Renovations with #1 Firm

CC REGULAR

Date: 09/30/2008
Submitted By: Marty Salazar, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Hidalgo County

Information

CAPTION

A. Presentation for discussion, consideration, acceptance and action regarding the on-going negotiations of the AIA B141 Standard Form of Agreement between Hidalgo County and Architect with the number ranked firm of ERO International, L.L.P (as approved for negotiation by CC on 2-26-08) for: "As Built drawings of the existing Courthouse to include Annexes and the surrounding Parking Areas & Sidewalks" for the purposes of addressing required renovations;
or, in the alternative,
B. Approval to cease negotiations with the number one (1) ranked firm of ERO International, L.L.P and open negotiations with the number two (2) ranked firm of _____ for: "As Built drawings of th existing Courthouse to include Annexes and the surrounding Parking areas & Sidewalks" for the purposes of addressing required renovations.

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:**
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Funding source to be identified once contract negotiations are finalized and final contract is executed with vendor.

Attachments

Link: ERO
Link: scoring grid

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department (Originator)	Marty Salazar	09/25/2008 10:51 AM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 01:54 PM	APRV
3	Ivan Cantu	Ivan Cantu	09/26/2008 09:09 AM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 11:33 AM	APRV

5	Court Administrator	Angela Garcia	09/26/2008 01:03 PM	APRV

Form Started By: Marty Salazar

Started On: 09/17/2008 05:41 PM

Final Approval Date: 09/26/2008

Website: www.atlashall.com
E-mail: info@atlashall.com

ATLAS & HALL, L.L.P.
ATTORNEYS AT LAW
P.O. BOX 3725 (78502-3725)
818 W. PECAN
MCALLEN, TEXAS 78501
TEL. (956) 682-5501 FAX (956) 686-6109

STARR COUNTY OFFICE
200 N. BRITTON AVE.
RIO GRANDE CITY, TEXAS 78582
TEL. (956) 488-1896
FAX (956) 488-6482

July 29, 2008

Mr. Scott Lyford, Partner
Mills Shirley, L.L.P.
2600 McCullough
San Antonio, Texas 78212

Via Facsimile: (210) 733-9131

RE: Proposed Contract Changes for Hidalgo County Courthouse Renovation Project

Dear Mr. Lyford:

You asked us to review proposed modifications to the AIA B-141–1997 regarding architectural services to be provided by ERO International for the Hidalgo County Courthouse Renovation Project.

We cannot recommend that Hidalgo County agree to most of the changes you proposed with a few exceptions as outlined below:

1. We agree with your proposed language regarding paragraph 3.2.

2. We agree to remove the text in paragraph 4.10 and insert, "Intentionally Left Blank" in its place.

3. 4.12. We agree to new language for paragraph 4.12 in which the language reflects that Professional Liability Insurance will initially cover the value of the Project as estimated by the Architect. Once bids are accepted, then the coverage should reflect at a minimum, the total cost of all bids accepted by the Owner for the Work.

Please be aware that ERO International has agreed to all terms presented by Hidalgo County in the past. However, if this contract is not acceptable to ERO International, please notify Marty Salazar, Director of Purchasing, at your earliest convenience so that the County can examine its options for the Project.

Sincerely,

Atlas & Hall, L.L.P.

By: Stephen L. Crain

cc: Marty Salazar
Director of Purchasing

PURCHASING DEPARTMENT
County Of Hidalgo

March 14,2008

Mr. Eli R. Ochoa, Managing Partner
ERO International, LLP
300 South 8th Street
McAllen, Texas 78501

Re: "As Built" drawings of the existing Courthouse to include annexes and the surroundings parking areas & sidewalks for the purpose of addressing required renovations.

Dear Mr. Ochoa:

Pursuant to Hidalgo County Commissioners' Court action on, February 26, 2008, your firm has been ranked and selected to commence negotiations on an architectural services contract in connection with "As Built" drawings of the existing Courthouse to include annexes, surroundings parking areas and sidewalks for the purpose of addressing required renovations.

We are scheduling a meeting at 10:30 a.m. on March 19, 2008 at the Hidalgo County Purchasing Department located at the below reference address to discuss in detail this project. Thereafter, we will request that you develop and submit a Scope of Services and Compensation Rate/Fee for further consideration and negotiations. If negotiations prove successful, we will proceed to finalize an AIA agreement (the Purchasing Dept. will provide you a delineated draft approved through our legal counsel).

We look forward to working with your firm and appreciate your attention in this matter. If require any further information regarding this matter, please do not hesitate to contact me.

Yours truly,

Ramon V.Vela Jr.
Asst. Purchasing Agent
Hidalgo County Purchasing Department
2812 S. Hwy 281
Edinburg, Texas 78539
(956) 292-7000 ext. 4871
(956) 318-2626
(956) 318-2629 Fax

HIDALGO COUNTY

FOR

"AS BUILT" drawings of the existing Courthouse to include annexes and the surrounding parking areas & sidewalks for the purposes of addressing required renovations

Scoring & Evaluation GRID

Architectural FIRMS

	Milnet Architectural Services	Alamo Architects	Gomez Mendez Saenz	Amtech Building Sciences, Inc	Mata-Villarreal-Garcia Design	Di Stefanos/Santopetro Architectural	ERO International, LLP	Ide*a Group LLC
Evaluator #1	93	90	91	91	95	94	96	90
Evaluator #2	85	95	97	95	65	98	95	87
Evaluator #3	93	87	95	84	86	94	98	82
Evaluator #4								
Evaluator #5	95	97	92	94	93	92	95	91
Totals	91.5	92.2	93.7	91	84.7	94.5	96	87.5
Ranking								

AI-11325 **19.A.15.**

Pre-Cast Safety End Treatment
CC REGULAR

Date: 09/30/2008
Submitted By: Elena Gomez, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Hidalgo County

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Information

CAPTION

Requesting authority to advertise a request for sealed bids with approval of procurement packet. (i.e. specifications and draft contract document) as attached hereto for " Hidalgo County Pre-Cast Safety End Treatment" (RFB No. 2008-340-MEG)

BACKGROUND

Proposed Schedule of Events:
1st advertisment: October 4, 2008
2nd advertisment: October 11, 2008
Bid Openings Date: October 22, 2008

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1201-431-00-121-005-0-673
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Pct. 1 P/U Rd-Road Material - Available Balance as of 9-26-08 $36,288.36.

FISCAL YEAR: 2008 **ACCT. #:** 8-1202-431-00-122-006-0-674
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Pct. 2 P/U Rd-Pipes - Available Balance as of 9-26-08 $3,280.00.

FISCAL YEAR: 2008 **ACCT. #:** 8-1203-431-00-123-005-0-731
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Pct. 3 P/U Rd-Roads-Available Balance as of 9-26-08 $185,626.25.

FISCAL YEAR: 2008 **ACCT. #:** 8-1203-431-00-123-005-0-674
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Pct. 3 P/U Rd-Roads-Available Balance as of 9-26-08 $185,686.25.

FISCAL YEAR: 2008 **ACCT. #:** 8-1204-431-00-124-007-0-679

FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Pct. 4 P/U Rd-Other R & M Supplies-Available Balance as of 9-26-08 $24,502.04.

FISCAL YEAR: 2008 **ACCT. #:** 8-1204-431-00-124-007-0-731

FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Pct. 4 P/U Rd-Roads-Available Balance as of 9-26-08 $268,308.85.

Attachments

Link: Memo/Exhibit A

Link: Draft Requirement Agreement

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 10:53 AM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 02:45 PM	APRV
3	Ivan Cantu	Ivan Cantu	09/26/2008 09:19 AM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 02:05 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 02:21 PM	APRV

Form Started By: Elena Gomez Started On: 09/23/2008 02:51 PM

Final Approval Date: 09/26/2008

MEMORANDUM

To: Hidalgo County Precinct No. 1
Attn: Noe Montes

Hidalgo County Precinct No. 2
Attn: Yolanda Cisneros

Hidalgo County Precinct No. 3
Attn: Norma Ceballos

Hidalgo County Precinct No. 4
Attn: Rumaldo Munoz Jr.

From: Elena Gomez
Purchasing Dept., Buyer

Date: September 5, 2008

Re: Bid No. 2008-340-00-00-MEG Approval of Specifications/Requirements for **HIDALGO COUNTY-"RFB-PRE-CAST SAFETY END TREATMENT"**

Please review the following **SPECIFICATIONS** and verify if all requirements are met by signing below and indicating **APPROVE** (or) **DISAPPROVE**. If specification is **not** met, make any and all modifications necessary and return the revised copy to the designated Buyer in the Purchasing Department.

If you have any questions, please call me at (956) 318-2626 ext# 4855.

APPROVE	x	DISAPPROVE	☐
APPROVED WITH MODIFICATIONS			☐

FUNDS AVAILABILITY: ___x__Yes / ____No / _____

Other (specify)_____

BUDGET ACCOUNT#:____8-1201-431-00-121-005-0-673

Noe Montez	Noe Montez	9/12/08
AUTHORIZED SIGNATURE	PRINTED NAME	DATE

SUBMIT THIS FORM TO THE HIDALGO COUNTY PURCHASING DEPARTMENT, VIA FAX TO (956) 318-2629 or E-mail: Elena.gomez@co.hidalgo.tx.us no later than SEPTEMBER 10, 2008 by 5:00P.M.
Enclosures

MEMORANDUM

To: Hidalgo County Precinct No. 1
Attn: Noe Montes

Hidalgo County Precinct No. 2
Attn: Yolanda Cisneros

Hidalgo County Precinct No. 3
Attn: Norma Ceballos

Hidalgo County Precinct No. 4
Attn: Rumaldo Munoz Jr.

From: Elena Gomez
Purchasing Dept., Buyer

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APPROVE ☑	DISAPPROVE ☐
APPROVED WITH MODIFICATIONS ☐	

FUNDS AVAILABILITY: ✓ Yes / ___ No / ___

Other (specify)_____

BUDGET ACCOUNT#: 8-1202-431-00-122-006-0-674

Ricardo Cuellar	RICARDO CUELLAR	09/10/08
AUTHORIZED SIGNATURE	PRINTED NAME	DATE

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Attn: Norma Ceballos

Hidalgo County Precinct No. 4
Attn: Rumaldo Munoz Jr.

From: Elena Gomez
Purchasing Dept., Buyer

Date: September 5, 2008

Re: Bid No. 2008-340-00-00-MEG Approval of Specifications/Requirements for **HIDALGO COUNTY-"RFB-PRE-CAST SAFETY END TREATMENT"**

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If you have any questions, please call me at (956) 318-2626 ext# 4855.

APPROVE ☑	DISAPPROVE ☐
APPROVED WITH MODIFICATIONS ☐	

FUNDS AVAILABILITY: ✓ Yes / ____ No / ____

Other (specify)_____

BUDGET ACCOUNT#: 8- 1203-431-00-123-005-0-614
8- 1203-431-00-123-005-0-731

AUTHORIZED SIGNATURE J Gomez mgv PRINTED NAME Norma Ceballos for Joe M. Flores DATE 9/10/08

SUBMIT THIS FORM TO THE HIDALGO COUNTY PURCHASING DEPARTMENT, VIA FAX TO (956) 318-2629 or E-mail: Elena.gomez@co.hidalgo.tx.us no later than SEPTEMBER 10, 2008 by 5:00P.M.
Enclosures

MEMORANDUM

To: Hidalgo County Precinct No. 1
Attn: Noe Montes

Hidalgo County Precinct No. 2
Attn: Yolanda Cisneros

Hidalgo County Precinct No. 3
Attn: Norma Ceballos

Hidalgo County Precinct No. 4
Attn: Rumaldo Munoz Jr.

From: Elena Gomez
Purchasing Dept., Buyer

Date: September 5, 2008

Re: Bid No. 2008-340-00-00-MEG Approval of Specifications/Requirements for **HIDALGO COUNTY-"RFB-PRE-CAST SAFETY END TREATMENT"**

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If you have any questions, please call me at (956) 318-2626 ext# 4855.

APPROVE	X	DISAPPROVE	☐
APPROVED WITH MODIFICATIONS	☐		

FUNDS AVAILABILITY: __X__ Yes / ____ No / _____

Other (specify)_____

BUDGET ACCOUNT#: **8-1204-431-00-124-007-0-679 / 731**

	Rumaldo Munoz Jr	9/22/2008
AUTHORIZED SIGNATURE	PRINTED NAME	DATE

SUBMIT THIS FORM TO THE HIDALGO COUNTY PURCHASING DEPARTMENT, VIA FAX TO (956) 318-2629 or E-mail: Elena.gomez@co.hidalgo.tx.us no later than SEPTEMBER 10, 2008 by 5:00P.M.
Enclosures

EXHIBIT A

HIDALGO COUNTY
"Pre-Cast Safety End Treatments"
Bid No. 2008-340-00-00-MEG

TERMS AND CONDITIONS/SPECIFICATIONS:

1. Bidder(s) shall supply, where needed (on an "As Needed" Basis) in Hidalgo County, or Job Site, "Precast Safety End Treatments".

2. Bid prices shall remain firm for a period of one (1) year. Initial term of the contract will be commencing upon expiration of current contract with the County's option to extend for an additional sixty (60) day Grace Period, under the same rates, terms and conditions.

3. Hidalgo County may award the bid on a lump sum basis to one (1) bidder or to multiple bidders on an item bid basis, whichever is in the best interest of the County.

4. After bid is awarded and low bidder(s) default(s) in meeting the general instructions to bidders and/or comply with contractual agreement, Hidalgo County reserves the right to seek services from the next low bidder(s). In such event, County shall charge the successful bidder(s) the difference for any additional cost of such item(s).

5. Any contract award to a successful bidder will be in effect until (**a**) the contract expires, (**b**) delivery and acceptance of products, and/or performances of services ordered, or (**c**) terminated by County with thirty (30) days written notice prior to cancellation.

6. 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.

EXHIBIT "A"
HIDALGO COUNTY
"Pre-Cast Safety End Treatments"
Bid No. 2008-340-00-00-MEG

I. PRECAST SAFETY END TREATMENT - TYPE II RIPRAP-PSET-RR

SIZE	SLOPE	SIZE	PIPE RUNNERS
18"	6-1	18"	6-1
18"	4-1	18"	4-1
24"	6-1	24"	6-1
24"	4-1	24"	4-1
30"	6-1	30"	6-1
30"	4-1	30"	4-1

II. Pre-Cast Safety END TREATMENT – TYPE II-CROSS DRAINAGE PSET-SC AND PSET-RC

SIZE PSET-SC	SLOPE	SIZE PSET-RC	SLOPE	SIZE	PIPE RUNNERS
18"	6-1	18"	6-1	18"	6-1
18"	4-1	18"	4-1	18"	4-1
24"	6-1	24"	6-1	24"	6-1
24"	4-1	24"	4-1	24"	4-1
30"	6-1	30"	6-1	30"	6-1
30"	4-1	30"	4-1	30"	4-1

III. PRECAST SAFETY END TREATMENT – TYPE II PARALLEL DRAINAGE -PSET-RP

SIZE	SLOPE	SIZE	PIPE RUNNERS
18"	6-1	18"	6-1
18"	4-1	18"	4-1
24"	6-1	24"	6-1
24"	4-1	24"	4-1
30"	6-1	30"	6-1
30"	4-1	30"	4-1

A. Market Volatility and Unit Price Adjustments:

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

1). Requesting Price Adjustment: Upon written request of the Vendor to the County Purchasing Agent, the County may review evidence of prevailing industry-wide market conditions that warrant an adjustment in bid prices contained in the contract.

- A Vendor must tie any price change clause to an industry-wide or otherwise nationally recognized index, or some other form of verifiable document. Such written request must be accompanied by a certified copy of the supplier's advisory or notification to the vendor of the price changes.
- The Vendor must put the Purchasing Agent on the mailing lists for such publications so that the Purchasing Agent can monitor said changes. Such membership shall be at no cost to the County.
- The County Purchasing Agent retains the right to determine whether or not such proposed price changes are in the best interest of the County.
- No price escalation will be authorized in excess of the amount of the increase referred to in the supplier's notice.
- The County may only grant a price increase if the evidence presented is deemed reliable. Should the County allow a price

increase, the approved price change shall be honored for all orders received by the vendor or contractor after the effective date of such price change. Approved price changes are not applicable to orders already issued and in process at time of price change.

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

3). **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.

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

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

Information regarding this project can be addressed in writing, to the Hidalgo County Purchasing Department. Hidalgo County is also requesting that any and all questions, inquiries and clarifications regarding quotes, bids, proposal or statement of qualifications be addressed to Martha L. Salazar, CPPB, Purchasing Agent, at 2802 South Business Hwy 281, Edinburg, Texas 78539.

TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.

All written inquiries will be accepted via facsimile no later than, **MONTH & DATE_2008 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., _MONTH AND DATE_, 2008.**

REQUIREMENTS AGREEMENT
C-08-340-00-00

THIS AGREEMENT (the "Agreement") is entered into effective as of_____ by and between_____, **a TEXAS Company** ("Seller") and **HIDALGO COUNTY** ("Buyer").

WHEREAS, Buyer has solicited proposals for the supply of its requirements of Hidalgo County "_____," as further described in Exhibit "A" which is attached hereto and incorporated herein by reference for all purposes (the "Products") for a period of one year; and

WHEREAS, Seller has submitted a proposal to supply Buyer's requirements; and

WHEREAS, Buyer has determined that Seller has submitted the lowest and best bid to meet Buyer's requirements for the Product.

NOW THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter set forth, and other good an valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, all of the Products that Buyer may require for use by Buyer in "_____" in the areas of **HIDALGO COUNTY** projects for a period of_____ from_____with the option to renew for an additional_____(If applicable) under the same rates, terms, and condition, and it is agreed that the Products will meet the specifications set forth in Exhibit "A" hereto.

2. When Buyer determines that it needs a quantity of the Products to be delivered, it will, according to its Purchasing Policies, complete and submit to Seller a Purchase Order describing the type and quantity of the Products required. The Products are to be delivered by Buyer to the location in Hidalgo County specified by Buyer in its Purchase Order.

3. Buyer agrees to pay Seller for each Purchase Order based on the prices set out in Exhibit "B". Seller shall render invoices for each Purchase Order, and the invoices shall be paid by Buyer on or before the 30th day following receipt of the invoice.

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. General Provisions.

a. **Conflict with Applicable Law.** Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any present or future law, ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

DRAFT

b. **No Waiver.** No waiver by Buyer of any breach of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

c. **Entire Agreement.** This Agreement contains the entire contract between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representations or agreements in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by Buyer and Seller, and not otherwise.

d. **Texas Law to Apply.** This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas. The parties hereby consent to personal jurisdiction in Hidalgo County, Texas.

e. **Notice.** Except as may be otherwise specifically provided in this Agreement, all notices, demands, requests or communications required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to Buyer: Hidalgo County
Attention: County Judge
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

If to Seller: _____
_____
_____
_____

Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the Unites States mail.

f. **Additional Documents.** The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

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

h. **Assignment.** This Agreement shall not be assignable.

DRAFT

i. **Headings.** The headings and captions contained in this Agreement are solely for convenient reference and shall not be deemed to affect the meaning or interpretation of any provision or paragraph hereof.

j. **Gender and Number.** All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate

k. **Authority to Execute.** The execution and performance of this Agreement by Buyer and Seller have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of Buyer and Seller in accordance with its terms.

l. **Commitment of Current Revenues Only**. In the event that, during any term hereof, the Commissioners Court does not appropriate sufficient funds to meet the obligations of Buyer under this Agreement, Buyer may terminate this Agreement upon sixty (60) days written notice to Seller. Buyer agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of Buyer pursuant to the provisions of Tex. Loc. Govt. Code Ann. § 271.903 (Vernon Supp. 1996).

m. **Insurance.** 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 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.

n. **Purchasing Ethics.** Seller represents and warrants it has not, during the process of being awarded this contract violated the following ethical standards of Buyer and, upon and after the execution of this Agreement, agrees to abide by the following ethical standards of Buyer:

(1) It shall be a breach of ethics to offer, give or agree to give any elected official, department head or employee, or former elected official, department head or employee, of Hidalgo County, or for any elected official, department head or employee or former elected official, department head or employee of Hidalgo County, to solicit, demand, accept or agree to accept from another person, entity or organization, a gratuity or an officer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advise, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefor pending before any department or agency of Hidalgo County.

DRAFT

(2) It shall be a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for Hidalgo County, or any person associated therewith, as an inducement for the award of a subcontract or order.

EXECUTED effective as of the day and year first above written.

APPROVED BY COMMISSIONERS COURT ON, _____.

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

By:_____
Date:_____

ALGO COUNTY

By:_____
Juan D. Salinas, III, County Judge
Date: _____

ATTEST:

_____
Arturo Guajardo, Jr., County Clerk
Date:_____

Vendor _____
By:_____
Printed Name:_____
Title:_____
Date:_____

DRAFT

AI-11442 **19.A.16.**

Renovations to former Administration Building at 100 E. Cano-Edinburg CC REGULAR

Date: 09/30/2008
Submitted By: Marty Salazar, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Hidalgo County

Information

CAPTION

Presentation by project architect firm, Alcoser Garcia Assoicates for discussion, consideration and action on items necessary to complete the development phase of the plans and specifications for the renovations required of the Administration Building, including, but not limited to, size/capacity and projected cost for the following:
A. Emergency Generator
B. Elevators
C. Other necessary items

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1336-419-00-115-073-0-452
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Available Balance as of 9-26-08 $2,796,100.00; Adjusted Budget as of 9-26-08 $3,000,000.00.

Attachments

Link: Estimates

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department (Originator)	Marty Salazar	09/26/2008 01:26 PM	APRV
2	Budget & Management	Veronica Lopez	09/26/2008 01:32 PM	APRV
3	Ivan Cantu	Ivan Cantu	09/26/2008 05:19 PM	APRV
4	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Marty Salazar Started On: 09/26/2008 12:29 PM

Final Approval Date: 09/26/2008

Below are estimated costs for;

1. **Emergency Generator**
2. **New Elevators**

Please schedule a workshop with County Judge and Commissioner Garza (Pct 4) so that we may go over the estimated costs and to define the emergency generator capacity as well as the elevators. Both items are critical to the overall design process.

EMERGENCY GENERATOR:

I. 1st Floor..... $120K
II. 1st and 2nd Floors..... $185K
III. 1st, 2nd, and 3rd Floors..... $260K
IV. 1st 2nd, 3rd, and 4th Floors..... $335K
V. 1st through 5th Floors ……$410K

ELEVATORS:

ThyssenKrupp Elevator Corporation
Gregory S. Laznovsky, Service & Repair Sales Manager

I. East Elevators:
- **1. Existing elevators are beyond repair and need to be replaced.**
- **2. Estimated cost to replace -**
  - **A. East Elevators,**
    - **a. First and Second Floors - $50K**
    - **b. Third Floor add -..... $15K**
    - **c. Fourth and Fifth Floors add ($10K per level).....$20K**
  - **B. Replacement of one elevator with new..... $85K**
  - **C. Replacement of both East elevators with new..... $170K**
- **3. Allow two weeks per elevator for removal and replacement of elevator.**

II. North Elevator (County Judge's Offices):
- **1. Does not comply with current Texas Department of Licensing and Regulations as it applies to the Removal of Architectural Barriers.**
- **2. Re-construct elevator shaft to accommodate new elevator**
- **3. Estimated cost for new elevator $50K**
- **4. Two weeks to remove existing elevator and replace with new elevator.**

III. Southeast Elevator (South of common area):
- **1. Does not comply with current Texas Department of Licensing and Regulations as it applies to the Removal of Architectural Barriers.**
- **2. Re-construct elevator shaft to accommodate new elevator**
- **3. Estimated cost for new elevator $50K**
- **4. Two weeks to remove existing elevator and replace with new elevator.**

IV. Estimated New Elevator Costs..... $270K

Edo.

AI-11438 **19.A.17.**

Engagement of Professional Services
CC REGULAR

Date: 09/30/2008
Submitted By: Marty Salazar, PURCHASING DEPT.
Submitted For: oth
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department

Information

CAPTION

A. Requesting exemption from competitive bidding requirements under Texas Local Government Code, Chapter 262, Section .024 (a) (4), a professional service in connection with the reorganization and/or consolidation of Precinct #1;
B. Requesting engagement and approval of a professional consulting services contract with Dr. Lori Ochoa, PhD. for the provision of professional consulting services in connection with the reorganization and/or consolidation of Precinct #1 functions and operations, including, but not limited to, the following: road and bridge, park, sanitation, grants, border colonia access program and all other applicable divisions or programs in the amount of $4,000.00.

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:**
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Budget Office will identify the funding source for this project.

FISCAL YEAR: 2008 **ACCT. #:** 8-1201-431-00-121-005-0-339
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Available Balance as of 9-26-08 $2,750.00; pending transfer for the difference of $1250.00.

Attachments

Link: Proposal
Link: contract

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department (Originator)	Marty Salazar	09/26/2008 01:45 PM	APRV
2	Budget & Management	Veronica Lopez	09/26/2008 02:57 PM	APRV

3	Ivan Cantu	Ivan Cantu	09/26/2008 05:42 PM	APRV
4	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Marty Salazar

Started On: 09/26/2008 10:44 AM

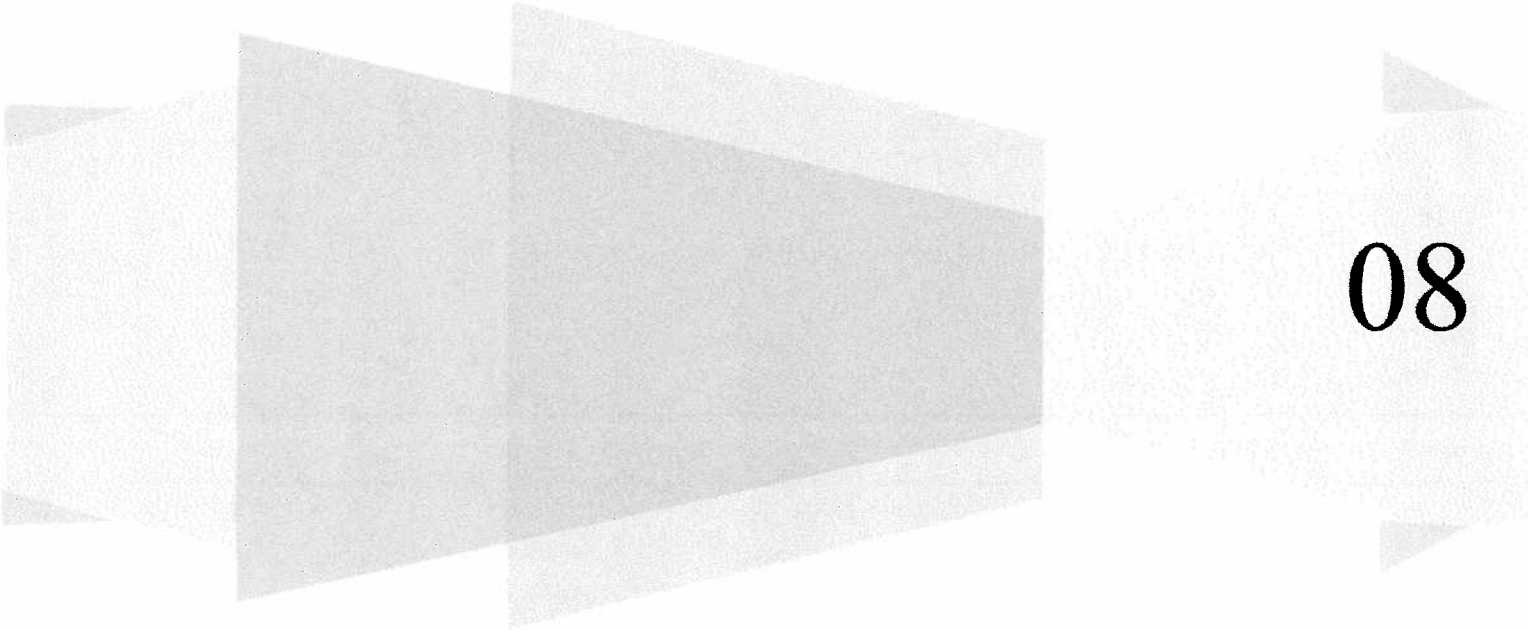
Final Approval Date: 09/26/2008

Human Capital Executive

Human Resource Audit Proposal

Submitted to Hidalgo County

Dr. Lorie Ochoa, PHR



08

HR Audit Proposal

Rationale

Human Resource (HR) departments are a critical component in the success of each organization. No other department can impact the employee experience as much as the HR department. However, should policies and procedures not be adhered to in a consistent manner, companies can be held liable for the mismanagement of policies or employee complaints. Public and private organizations throughout the world are utilizing human resource audits to improve systems, thereby, improving productivity and increasing the organization's Return on Investment (ROI). Organizations are also using human resource audits to spotlight areas of weakness and possible non-compliance with federal regulations.

On a frequent basis, business journals are reporting staggering amounts that courts are awarding to individuals who have filed lawsuits against their employer. In 2007, the Equal Employment Opportunity Commission received 26,663 charges of retaliation discrimination and resolved 22,265. Their annual report reflected that $124 million was awarded to the charging parties and aggrieved individuals obtained through litigation.

In addition, the Department of Labor, the National Labor Relations Board, and other federal agencies continue to sanction organizations with harsh penalties for not maintaining compliance with federal and state regulations and policies as reflected in the Employee Handbook. Many of these lawsuits could have been prevented if companies would have maintained structured and consistent human resource policies and procedures.

The July 2008 Texas Employment Law Newsletter referenced Hagen v. EchoStar Satellite_F3rd_(5th Circuit 2008). The case revealed that EchoStar failed to follow through on a complaint alleging non-compliance with the Federal Labor Standards Act (FLSA). The 5th Circuit agreed that when the company's managers failed to adequately and consistently investigate an employee complaint, the employee's rights under the law were compromised. The lack of action ultimately led to an adverse action. Not only was the company liable for the lack of follow-through, but the manager was also liable on a personal level.

Needs

In an environment where companies are maximizing their resources and minimizing expenses, HR audits are an excellent tool to highlight non-compliance issues and decrease the likelihood of potential labor lawsuits.

An audit of each Precinct's organizational structure and protocols and practices can serve as an excellent tool to determine compliance with local, state, and federal regulations and determine the quality and consistency of employment procedures.

The purpose of this proposal is to communicate how an HR Audit can serve as a tool to increase the effectiveness in the recruitment and retention of human capital as well as the employee relations process.

Through a multi-phase process, the HR Audit will be used to 1) Assess current systems and make recommendations for upgraded processes, 2) Provide training to Managers on required federal and state mandates, and 3) Conduct random departmental audits to ensure compliance. Each phase will culminate with a confidential and written summary that will be forwarded to each member of Commissioner's Court.

Upon completion of each phase, Commissioner's Court may discuss which elements can be infused and formalized into regularly scheduled processes.

To initiate this recommended HR Audit, each Precinct may be audited in phases, beginning with Precinct One. Upon completion of all phases, additional Precincts may be incorporated into subsequent HR Audits, at the discretion of the respective Precinct Commissioner..

Phase I of the Human Resource Audit will reflect the reorganization and consolidation of Precinct One (1). The audit will be comprised of a four-step process including Information Gathering, Evaluation, Analysis, and Action Planning. A series of discussions will take place with Precinct One Commissioner Sylvia Handy, the Hidalgo County Human Resource Director, and Precinct One employees to assess needs. Data will be compiled to ensure that each position has the appropriate job title, list of specific responsibilities, and how the position meets the overall needs of Precinct One.

Phase II of the Human Resource Audit reflects the Training and Development component for Precinct One. National Human Resource journals report that almost 50% of Companies do not offer adequate training and development opportunities. Additional studies show that employees are not benefitting from management support to enhance individual development and career growth.

Organizations which do provide structured professional development have enhanced employee productivity and staff morale. In addition,

retention rates are increased and turnover cost are minimized. To maximize the HR Audit, training will be designed to formalize consistent and high quality implementation of HR protocols throughout Precinct One.

Based on the Needs Assessment conducted during Phase I, training will be designed and offered to employees within Precinct One.

Phase III of the Human Resource Audit will reflect continued discussions with supervisors in Precinct One, compliance audits, and developmental training. By incorporating this phase, Precinct One will engage in a proactive design, serving as the infrastructure to enhance human capital.

The time frame for these visits will take place quarterly after Phase II and Phase III have been completed.

Precinct One-Phase I
HR Audit, Assessment, Recommendations

Scope of Audit:

A. Analyze HR Department Protocols and Resources to reorganize and consolidate positions to increase productivity and efficiency.

- Assess Precinct One Organization and HR Protocols
- Assess Employee Job Descriptions and Responsibilities
- Assess Precinct Mission Statements in coordination with County Mission Statement
- Assess Precinct One Recruitment and Selection Process
- Assess Precinct One On-boarding/New Employee Orientation
- Assess Federally Required Posters/Notices in Precinct One Facilities
- Assess Precinct One Compliance with Policies
- Assess Precinct One Compliance with Federal regulations (USERRA, HIPPA, FMLA) as well as State and Local policies

B. Assess Precinct One Personnel files for Accuracy

- Compliance with I-9 Documentation
- Compliance with Sexual Harassment Policy
- Compliance with Random Drug Testing Policy
- Compliance with IT Policy
- Compliance with Affirmative Action Plan
- Maintenance of Employee Data

C. Develop and Submit Written Recommendation to reorganize and consolidate positions to increase productivity and efficiency.

Phase III
Compliance Visits

A) Develop a schedule to conduct quarterly visits with Precinct One to discuss the following:

- **Results of Surveys**
- **Maintenance of Employee Data**
- **Address HR issues**
- **Review Recruitment and Retention Processes**

B) Determine federally-required poster compliance at the Precinct One facilities

C) Conduct HR Training for Supervisors on the following topics:

- **Documenting Time**
- **Employee Leave**
- **Sexual Harassment**
- **Federal and State Labor Laws**

D) Develop and Submit Written Summary of Activities and Findings

Budget and Timeline for Phase I, II, and II
Precinct One

Phase I (HR Audit)	4Weeks	$2,000.00
Phase II (Training & Dev.)	4 Weeks	$1,000.00
Phase III (Compliance Visits)	3 Quarters	$1,000.00
		_____
	TOTAL	$4,000.00



HR®

CERTIFICATION INSTITUTE

SOCIETY FOR HUMAN RESOURCE MANAGEMENT

Hereby Certifies That

Maria L. Trevino-Ochoa

having met with distinction the high standards of education, experience and demonstrated knowledge established by this Institute, has been certified as a

Professional in Human Resources

Witness the signatures of the duly authorized officers of this Institute:

ATTEST:

7/1/2008 - 6/30/2011
PERIOD OF CERTIFICATION

6/25/2005
CERTIFIED SINCE

CHAIR

TREASURER

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

SERVICE CONTRACT
C-08-395-09-30

THIS CONTRACT is made and entered in this **30th** day of **September, 2008** by and between the COUNTY OF HIDALGO, TEXAS ("County"), and **Dr. Lorie Ochoa, PHR** a Texas Sole Proprietor ("Company").

WHEREAS, Company has offered to perform certain services for Hidalgo County as more particularly prescribed on Exhibit "A" which is attached hereto and incorporated herein by reference (the "Service"); and

WHEREAS, in recognition of and in consideration of Company's agreement to perform the Services, the Commissioners Court of County desires to award a contract to Company to perform the Services.

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 at the offices of Hidalgo County. 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. 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 **September 30, 2008** through completion of services and as further detailed in scope of services, unless earlier terminate as herein provided.

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

5. 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.

6. Company shall provide, to the extend it deems necessary, insurance in force on all persons connected with providing services under this Contract naming County as an additional insured, and shall furnish to County certificates of such insurance coverage.

7. 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 of failure to act by the Company, its agents or employees.

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

9. 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.

10. 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:
Dr. Lorie Ochoa, PHR
2204 North H Street
McAllen, Texas 78501

11. 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.

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

13. 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.

14. In the event that, during any term hereof, the Commissioners Court does not appropriate sufficient funds to meet the obligations of Buyer under this Agreement, Buyer may

terminate this Agreement upon ninety (90) days written notice to Seller. Buyer agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of Buyer pursuant to the provisions of Tex. Loc. Govt. Code Ann. § 271.903 (Vernon Supp. 1996).

15. 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 _____2008

COUNTY OF HIDALGO

By:_____
Juan D. Salinas III, County Judge

ATTEST:

_____
Arturo Guajardo Jr., County Clerk

COMPANY: Dr. Lorie Ochoa PHR

_____

Approved on Commissioners' Court September 30, 2008

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

By:_____

EXHIBIT "A"

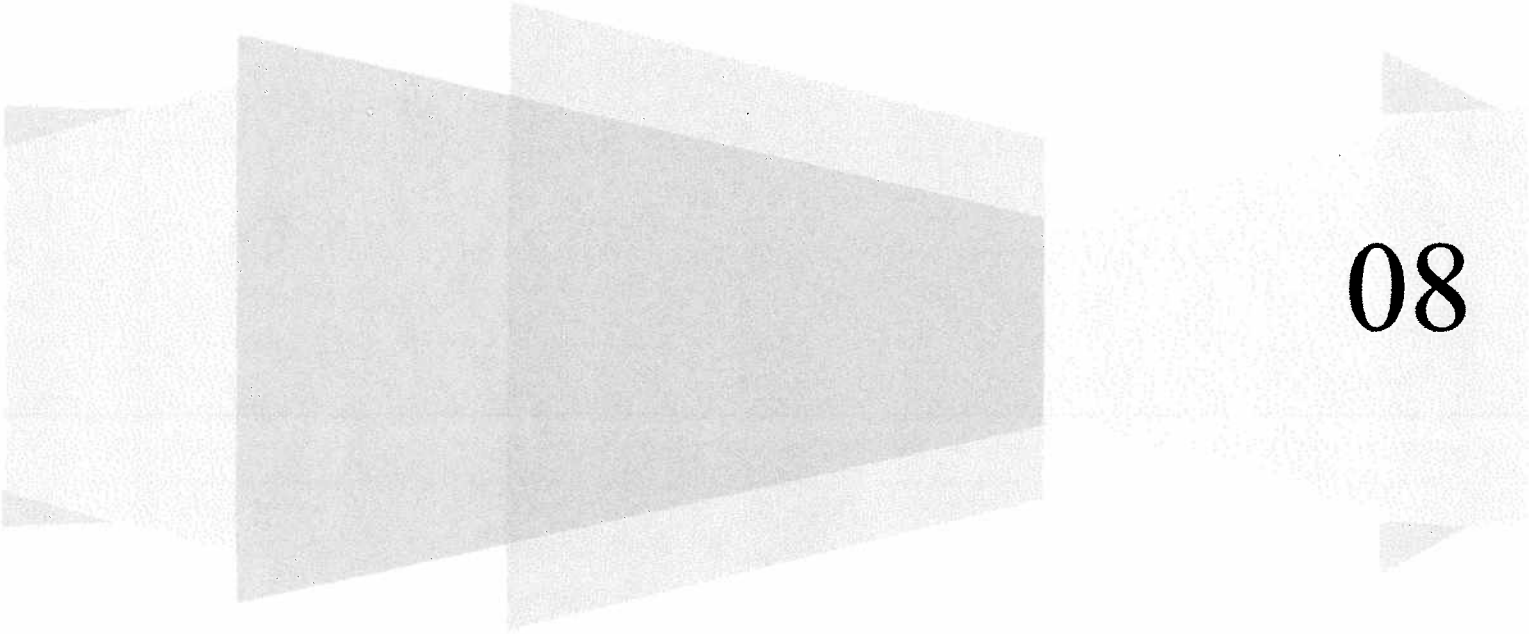
SCOPE OF SERVICES

Human Capital Executive

Human Resource Audit Proposal

Submitted to Hidalgo County

Dr. Lorie Ochoa, PHR



08

HR Audit Proposal

Rationale

Human Resource (HR) departments are a critical component in the success of each organization. No other department can impact the employee experience as much as the HR department. However, should policies and procedures not be adhered to in a consistent manner, companies can be held liable for the mismanagement of policies or employee complaints. Public and private organizations throughout the world are utilizing human resource audits to improve systems, thereby, improving productivity and increasing the organization's Return on Investment (ROI). Organizations are also using human resource audits to spotlight areas of weakness and possible non-compliance with federal regulations.

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Needs

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Organizations which do provide structured professional development have enhanced employee productivity and staff morale. In addition,

retention rates are increased and turnover cost are minimized. To maximize the HR Audit, training will be designed to formalize consistent and high quality implementation of HR protocols throughout Precinct One.

Based on the Needs Assessment conducted during Phase I, training will be designed and offered to employees within Precinct One.

Phase III of the Human Resource Audit will reflect continued discussions with supervisors in Precinct One, compliance audits, and developmental training. By incorporating this phase, Precinct One will engage in a proactive design, serving as the infrastructure to enhance human capital.

The time frame for these visits will take place quarterly after Phase II and Phase III have been completed.

Precinct One-Phase I
HR Audit, Assessment, Recommendations

Scope of Audit:

A. Analyze HR Department Protocols and Resources to reorganize and consolidate positions to increase productivity and efficiency.

- Assess Precinct One Organization and HR Protocols
- Assess Employee Job Descriptions and Responsibilities
- Assess Precinct Mission Statements in coordination with County Mission Statement
- Assess Precinct One Recruitment and Selection Process
- Assess Precinct One On-boarding/New Employee Orientation
- Assess Federally Required Posters/Notices in Precinct One Facilities
- Assess Precinct One Compliance with Policies
- Assess Precinct One Compliance with Federal regulations (USERRA, HIPPA, FMLA) as well as State and Local policies

B. Assess Precinct One Personnel files for Accuracy

- Compliance with I-9 Documentation
- Compliance with Sexual Harassment Policy
- Compliance with Random Drug Testing Policy
- Compliance with IT Policy
- Compliance with Affirmative Action Plan
- Maintenance of Employee Data

C. Develop and Submit Written Recommendation to reorganize and consolidate positions to increase productivity and efficiency.

Precinct One-Phase II
Training and Development

A. Survey Employees to determine understanding, knowledge, and accessibility of local, state, and federal employment guidelines.

B. Provide hands-on training to HR staff on recommended protocols and required regulations. Training will include, but not be limited to the following:

- Appropriate Interviewing Questions
- Appropriate Employee Documentation
- Federal and State Labor Regulations
- Compliance with the Hidalgo County Employee Handbook.

C. Develop and Submit Written Summary of Activities and Findings

Phase III
Compliance Visits

A) Develop a schedule to conduct quarterly visits with Precinct One to discuss the following:

- **Results of Surveys**
- **Maintenance of Employee Data**
- **Address HR issues**
- **Review Recruitment and Retention Processes**

B) Determine federally-required poster compliance at the Precinct One facilities

C) Conduct HR Training for Supervisors on the following topics:

- **Documenting Time**
- **Employee Leave**
- **Sexual Harassment**
- **Federal and State Labor Laws**

D) Develop and Submit Written Summary of Activities and Findings



HR®

CERTIFICATION INSTITUTE

SOCIETY FOR HUMAN RESOURCE MANAGEMENT

Hereby Certifies That

Maria L. Trevino-Ochoa

having met with distinction the high standards of education, experience

and demonstrated knowledge established by this Institute,

has been certified as a

Professional in Human Resources

Witness the signatures of the duly authorized officers of this Institute:

ATTEST:

7/1/2008 - 6/30/2011
PERIOD OF CERTIFICATION

6/25/2005
CERTIFIED SINCE

CHAIR

TREASURER

EXHIBIT "B"

FEE SCHEDULE

Budget and Timeline for Phase I, II, and II
Precinct One

Phase I (HR Audit)	4Weeks	$2,000.00
Phase II (Training & Dev.)	4 Weeks	$1,000.00
Phase III (Compliance Visits)	3 Quarters	$1,000.00
		_____
	TOTAL	$4,000.00

EXHIBIT "C"

CERTIFICATE OF INSURANCE

TEXAS LIABILITY INSURANCE CARD

LORIE OCHOA
********** ********** ***
********** ********** ***
********** ********** ***
2204 N H ST
MCALLEN TX 78501-5683

FARMERS

Policy Number: 19 04187-17-15
Effective Date: 10-07-2008
Expiration Date: 04-07-2009

Veh.	Year	Make	Model	VIN
#1	2004	FORD	EXPEDITION XLT 2WD	1FMRU15W04LA47527
#2	****	**********	**********	**********
#3	****	**********	**********	**********

FARMERS TEXAS COUNTY MUTUAL INSURANCE COMPANY **1-800-225-0011**

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 insureds and may provide coverage for other persons and other vehicles as provided by the insurance policy.

Agent Name: Bernardo Ramirez III, LUTCF
Phone No: (956) 783-5000

9-01 A1662201

AI-11288 **19.B.1.**

PCT 1-Professional Engineering Contract w/TEDSI-Mile 2 West Project CC REGULAR

Date: 09/30/2008
Submitted By: Letty Saenz, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Prct. 1

Information

CAPTION

A. Requesting approval of a "Professional Engineering Services Contract" with TEDSI Infrastructure Group for "Mile 2 West Road (from Mile 12 North and 0.44 Miles North of US-83)" for Hidalgo County Pct. 1;
B. Presentation for consideration, discussion, and approval of Work Authorization #1 in the amount of $604,859.71 with TEDSI Infrastructure Group to provide engineering services to Hidalgo County Precinct No. 1 in connection with Contract No. C-08-226-09-23 for "Mile 2 West Road (from Mile 12 North and 0.44 Miles North of US-83)"

BACKGROUND

Professional Service Agreement approved by Legal Counsel.
Work Authorization No. 1

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1315-431-00-121-040-0-731
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Amount available in PO #608544 $65,550.00 as of 9-25-08 for Tedsi Infrastructure Group, Inc.

Attachments

Link: Contract
Link: WA #1

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/18/2008 04:41 PM	APRV
2	Budget & Management	Veronica Lopez	09/19/2008 09:21 AM	APRV
3	Ivan Cantu	Ivan Cantu	09/25/2008 02:38 PM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 02:00 PM	APRV
5	Sergio Cruz		09/26/2008 06:03 PM	NEW
Form Started By: Letty Saenz			Started On: 09/18/2008 04:07 PM	

Final Approval Date: 09/26/2008

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

AGREEMENT FOR GENERAL ENGINEERING SERVICES
Contract No. C-08-226-09-30

THIS AGREEMENT is made, by and between **HIDALGO COUNTY,** acting herein by and through the **Commissioner's Court**, hereinafter called the "**Owner**", and **TEDSI Infrastructure Group, Inc.**, professional engineers of Mission, Texas, hereinafter called the "**Engineer**".

W I T N E S S E T H:

WHEREAS, the **Owner** desires to contract with the **Engineer** to provide **General Engineering Services for Mile 2 West Road Improvements between Mile 12 North and 0.44 miles north of US-83** for Hidalgo County Precinct Number One.

NOW, THEREFORE, the **Owner** and the **Engineer** in considcration of the mutual covenants and agreements herein contained do mutually agree as follows:

ARTICLE 1. Employment of Engineer. The **Owner** agrees to employ the **Engineer** and the **Engineer** agrees to perform general engineering, rights of way & field topographic services as stated in the articles to follow, and for having rendered such services, the **Owner** agrees to pay the **Engineer** compensation as stated in the articles to follow.

ARTICLE 2. Character and Extent of Services. This Agreement will provide for of the **Project** with the following:

2.1. Scope of Work. The **Owner** will furnish items and provide those services for the development of Work Authorizations and fulfillment of this Agreement, as identified in **EXHIBIT "A"** -***Services to be Provided by the Owner***, attached hereto and made a part of this Agreement. The **Engineer** shall render professional engineering services for the development of said Work Authorizations and fulfillment of this Agreement as identifiecl in **EXHIBIT "B"**-***Services to be Provided by the Engineer***, attachecl hereto and made a part of this Agreement.

2.2 Classification of Services. For this Agreement, thc professional services to be provided by the **Engineer**, as more particularly idcntified in **EXHIBIT "B"**, attached hereto.

2.3 Schedule of Work. Thc **Engineer** shall prepare a schedule of work (hereinafter referred to as "**Work Schedule**") in accordance with the terms identified in **EXHIBIT "C"**-***Work Schedule,*** attached hereto and made a part of this Agreement.

ARTICLE 3. Period of Service. Upon execution of this Agreement, the **Engineer** shall proceed with the work outlined under Article 2 hereof.

3.1 Termination Date. This Agreement shall terminate at the completion of services as defined in Exhibit B, attached hereto. The **Owner** assumes no liability or obligation for payment to the **Engineer** for work performed or costs incurred by the **Engineer** prior to the date authorized by the **Owner** for the **Engineer** to begin work or during periods when work is suspended.

3.2 Suspension of Work. Should the **Owner** desire to suspend the work under this Agreement, but not terminate this Agreement, the Owner shall provide thirty (30) calendar days verbal notification to the **Engineer**, followed by written confirmation from the **Owner** to the **Engineer** to that effect. The thirty-day notice may be waived as agreed in writing by both the **Owner** and the **Engineer**. The work under this Agreement may be reinstated and resumed in full force and effect within sixty (60) days of receipt of written notice from the **Owner** to the **Engineer**. The sixty-day notice may be waived as agreed in writing by both the **Owner** and the **Engineer**.

3.3 Termination of Agreement. This Agreement may be terminated by any of the following conditions:

(1) **Commitment of Current Revenues.** In the event that, during any term hereof, the **Owner** does not appropriate sufficient funds to meet to the obligations of this Agreement, the **Owner** may terminate this Agreement upon thirty (30) days written notice to the **Engineer**. The **Owner** agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of the **Owner** pursuant to the provisions of Tex. Loc. Govt. Code Ann. § 271.903 (Vernon Supp.1995).

(2) By mutual agreement and consent, in writing, of both the **Engineer** and the **Owner**.

(3) By the **Owner**, upon failure of the **Engineer** to fulfill the **Engineer**'s obligations set forth herein in a satisfactory manner as determined by the **Owner** and in sole opinion of the **Owner**, after the **Owner** provides written notice to the **Engineer** of such failure and the **Engineer** has not corrected such failure within (30) days of such written notice by the **Owner**.

(4) By the **Engineer**, upon failure of the **Owner** to fulfill the **Owner**'s obligations set forth herein, after the **Engineer** provides written notice to the **Owner** of such failure and the **Owner** has not corrected such failure within thirty (30) days of such written notice by the **Engineer**.

(5) By the **Owner** with cause upon thirty (30) days written notice to the **Engineer**.

(6) By satisfactory completion of all services and obligations described herein.

Should the **Owner** terminate this Agreement as herein provided, no fees other than fees due and payable at the time of termination shall thereafter be paid to the **Engineer** notwithstanding anything herein to the contrary. In determining the value of the work performed by the **Engineer** prior to termination, the **Owner** shall be the sole judge of the value of such work performed. Compensation for work at termination will be based on a percentage of the work completed at that time. Should the **Owner** terminate this Agreement under (5) of the paragraph above, the amount charged during the thirty (30) day notice period shall not exceed the amount charged during the preceding ninety (90) days.

If the termination of this Agreement is due to the failure of the **Engineer** to fulfill the **Engineer**'s obligations under this Agreement, the **Owner** may take over the Work Authorization and prosecute the work to completion. In such case, the **Engineer** shall be liable to the **Owner** for any additional cost occasioned by the **Owner**.

If the **Engineer** defaults in the performance of this Agreement or if the **Owner** terminates this Agreement for fault on the part of the **Engineer**, the **Owner** will give consideration to payment of an amount in settlement to include: the actual costs incurred by the **Engineer** in performing the work to the date of default, the amount of work required which was satisfactorily completed to date of default, the value of the work which is usable to the **Owner**, the cost to the **Owner** of employing another consultant and/or firm to complete the work required and the time required to do so, and other factors which affect the value to the **Owner** of the work performed at the time of default. This Agreement shall not be considered as specifying the exclusive remedy for any default by the **Engineer**, but all remedies existing at law and in equity may be availed of by either party and shall be cumulative.

The termination of the Agreement and payment of an amount in settlement as prescribed above shall extinguish all rights, duties, and obligations of the **Owner** and the **Engineer** under this Agreement, except the obligations set forth in Articles 11.2, 12, 13, 15, 16, 17, 18.3, 19, 22, and 26, hereto.

ARTICLE 4. Progress and Coordination. The **Engineer** shall, from time to time during the progress of the work, confer with the **Owner**. The **Engineer** shall prepare and present such information as may be pertinent and necessary, or as may be requested by the **Owner**, in order to evaluate features of the **Engineer**'s services and work.

At the request of the **Owner** or the **Engineer**, conferences shall be provided at the **Engineer**'s office, the office of the **Owner**, or at other locations designated by the **Owner**. These conferences shall also include evaluation of the **Engineer**'s services and work when requested by the **Owner**.

All applicable study reports shall be submitted in preliminary form for approval by the **Owner** before the final report is issued. The **Owner**'s comments regarding the **Engineer**'s preliminary report will be addressed by the **Engineer** in the final report.

If funds by other agencies or entities are to be used for the development of the **Project** under this Agreement, the **Engineer**'s services and work will be subject to periodic review and approval by other agencies or entities, including those of the city, county, state, and/or federal agencies.

Should it be determined that the progress in the production of the **Engineer**'s services and work does not satisfy the requirements of the approved **Work Schedule** as provided by **EXHIBIT "C"**, attached hereto, the **Owner** shall review the approved **Work Schedule** with the **Engineer** to determine the corrective action needed by either the **Owner** or the **Engineer**.

The **Engineer** shall promptly advise the **Owner** in writing of events which have a significant impact upon the progress of the **Engineer**'s services and work and the approved **Work Schedule**, including:

(1) problems, delays, adverse conditions which will materially affect the ability to attain contract objectives, prevent the meeting of time schedules and goals, or preclude the timely completion and submittal of Work Authorization deliverables by the **Engineer** within established time periods; this disclosure will be accompanied by a statement by the **Engineer** of recommended or immediate action taken, or contemplated, and any **Owner** or other agency or entity assistance needed to resolve the situation; and

(2) favorable developments or events which enable meeting the **Work Schedule** goals sooner than anticipated.

ARTICLE 5. Compensation and Fees. For and in consideration of the services to be rendered by the **Engineer**, the **Owner** shall compensate the **Engineer** as follows:

5.1 ***Services.*** For and in consideration of the ***Services*** to be rendered by the **Engineer**, as identified in Article 2 and more particularly identified in **EXHIBIT "B"**, attached hereto, the maximum amount payable by the **Owner** to the **Engineer**

for ***Services***, subject to adjustment in accordance with Article 6.1 herein, will be provided in each work authorization issued. Payments to the **Engineer** for ***Services*** shall be made by the **Owner,** upon presentation by the **Engineer** of the monthly **Request for Payment,** in accordance with the terms and provisions of Article 6 herein.

5.2 ***Special Services.*** Those services that may be required to be provided by the **Engineer** as ***Special Services*** are set forth below and more particularly described in **EXHIBIT "B"**, attached hereto. For and in consideration of these ***Special Services*** rendered as required by the **Engineer**, the **Owner** shall pay the **Engineer** a negotiated lump sum fee (hereinafter referred to as "**Special Services Fee**") at the hourly labor rates and non-labor rates (hereinafter referred to as "**Contract Rates**") specified in **EXHIBIT "D"-*Contract Rates***, attached hereto and made a part of this Agreement, and as follows:

1. RESIDENT OR SITE ENGINEER, INSPECTOR. Actual performance of services of project site engineer, resident engineer and/or inspector, if required by **Owner**.

2. DOCUMENT COPIES. Actual performance and / or providing of additional copies (over 3) of reports; additional copies (over 3) of plans (contract drawings), specifications, and estimates (PS&E); additional copies (over 3) of bidding documents; additional copies (over 3) of as-built drawings.

3. EXTRA TRAVEL. Extra travel required of **Engineer** and authorized by **Owner** to points outside of Hidalgo County.

4. EXPERT WITNESS. Assistance to the **Owner** as expert witness in any litigation with third parties, arising from the development or construction of the improvements provided in each Work Authorization.

5. MISCELLANEOUS. Investigations involving detailed consideration of operation, maintenance and overhead expenses and (unless otherwise agreed) the preparation of rate schedules, earning and expense statements; preparation of feasibility studies; environmental document preparation; appraisals, valuations, and material audits; or inventories required for certification of force account construction performed by the **Owner**; preparation of change orders for extra work done by the **Contractor.**

ARTICLE 6. Method of Payment.

6. 1 Request for Payment. Payments to the **Engineer** for services rendered will be made while work is in progress as executed through a lump sum fee assigned to each work authorization (hereinafter referred to as "**Work Authorization**") in accordance with Article 7 herein. For each **Work Authorization**, the **Engineer** shall prepare and submit to the **Owner** monthly progress reports in sufficient detail to support the progress of the work and in support of a request for payment (hereinafter referred to as "**Request for Payment**"). The progress report shall indicate the percent completion of the work accomplished by the **Engineer** during the billing period and to the date of the **Request for Payment**. On or before noon of the first Monday of each month during the performance of the services, the **Engineer** shall submit to the **Owner** for approval a **Request for Payment**. Payment of the lump sum fee for each **Work Authorization** identified in the **Request for Payment** will be in proportion to the percent completion of the work tasks identified in such **Work Authorizations** together with a detailed breakdown of the amount and the sum of all prior payments. The **Owner** shall review each such **Request for**

Payment and may make such exceptions as the **Owner** reasonably deems necessary or appropriate under the circumstances then existing. About ten (10) working days after the Commissioners Court of the **Owner** meets approving such payment, the **Owner** shall make payment to the **Engineer** in the amount approved as aforesaid subject to Article 6.4 herein and below. If OWNER fails to make any payment due ENGINEER for services and expenses within thirty days after receipt of ENGINEER's invoice therefore, the amounts due ENGINEER will be increased at the rate of 1.0% per month (or the maximum rate of interest permitted by law, if less) from said thirtieth day; and, in addition, ENGINEER may, after giving seven days' written notice to OWNER, suspend services under this Agreement until ENGINEER has been paid in full all amounts due for services, expenses and charges. Payments will be credited first to interest and then to principal. In the event of a disputed or contested billing, only that portion so contested may be withheld from payment, and the undisputed portion will be paid.

If the Work Authorization, or any portion(s) thereof, are deleted or otherwise not constructed, compensation to the **Engineer** by the **Owner** for the Work Authorization or such portions of the Work Authorization shall be only the amounts paid the **Engineer** for actual work performed in accordance with the **Work Authorization**(s) approved by the **Owner**.

6.2 Final Payment. After final completion of the work and acceptance thereof by the **Owner**, the **Engineer** shall submit a final request for payment ("**Final Request for Payment**") which shall set forth all amounts due and remaining unpaid to the **Engineer** and upon approval thereof by the **Owner**, the **Owner** shall pay to the **Engineer** the amount due ("**Final Payment**") under such **Final Request for Payment** in accordance with the provisions of Article 6.1 hereof. The **Final Payment** shall not be made until the **Engineer** delivers to the **Owner** an affidavit that so far as the **Engineer** has knowledge or information any and all amounts due for materials and services over which the **Engineer** has control have been paid.

6.3 Qualification on Obligations to Pay. Any provision hereof to the contrary notwithstanding, the **Owner** shall not be obligated to make any payment (whether a payment under Article 6.1 hereof or **Final Payment**) to the **Engineer** hereunder if any one or more of the following conditions precedent exist:

(1) The **Engineer** is in default of any of its obligations hereunder or otherwise is in default under this Agreement or under any contract documents related to this Agreement;

(2) Any part of such payment is attributable to the **Engineer**'s services which are not performed in accordance with this Agreement; provided, however, such payment shall be made as to the part thereof attributable to the **Engineer**'s services which were performed in accordance with this Agreement;

(3) The **Engineer** has failed to make payments promptly to consultants or other third parties used in connection with the Work Authorization for which the **Owner** has made payment to the **Engineer**;

(4) If the **Owner**, in good faith judgment, determines that the portion of the compensation then remaining unpaid will not be sufficient to complete the **Engineer**'s services in accordance with this Agreement, no additional payments will be due the **Engineer** hereunder unless and until the **Engineer**, at its sole cost, performs a sufficient portion of the **Engineer**'s services so that such portion of the compensation then remaining unpaid is determined by the **Owner** to be sufficient to so complete the **Engineer**'s services.

6.4 No partial payment made hereunder shall be or construed to be final acceptance or approval of that part of the **Engineer**'s services to which such partial payment related or relieves the **Engineer** of any of its obligations hereunder with respect thereto.

6.5 The **Engineer** shall promptly pay all bills for labor and material performed and furnished by others in connection with the performance of the **Engineer**'s services.

6.6 Waiver. The making of the **Final Payment** shall constitute a waiver of all claims by the **Owner** except those arising from (1) faulty or defective services of the **Engineer** appearing after completion of the **Project**, (2) failure of the **Engineer**'s services to comply with the requirements of this Agreement or any contracts or Agreements related to the Work Authorization, or (3) terms of any special warranties required by this Agreement or provided at law or in equity. The acceptance of **Final Payment** shall constitute a waiver of all claims by the **Engineer** except those previously made in writing and identified by the **Engineer** as unsettled at the time of the **Final Request for Payment**.

ARTICLE 7. Work Authorization. After execution of this Agreement, the **Engineer** shall proceed with the work outlined under Article 2 hereof, only as authorized by the **Owner** through an agreed **Work Authorization** document in the form identified in **EXHIBIT "E"** – ***Work Authorization Form***, attached hereto and made a part of this Agreement. The **Engineer** will identify, as approved by the **Owner**, the needed services for the Work Authorization, as required through the course of the development of the Work Authorization. The **Owner** shall authorize the **Engineer** to perform one or more of the agreed tasks identified in **EXHIBIT "B"**, attached hereto, in the form of individual work authorizations. Upon authorization from the **Owner**, the **Engineer** will prepare a **Work Authorization** document, which will include a description of the work to be performed, including a description of the tasks and milestones, a work schedule, and an estimated cost proposal agreed upon by the **Owner** and the **Engineer**. The estimated cost proposal shall set forth in detail the computation of the cost of each work task, at the hourly rates established and identified in **EXHIBIT "D"**, attached hereto. The **Work Authorization** shall not waive the **Owner**'s and the **Engineer**'s responsibilities and obligations established in this Agreement.

The estimated cost proposal for each **Work Authorization**, developed by the **Engineer** and approved by the **Owner**, shall be used by the **Owner** to appropriate a purchase order for the **Work Authorization**. Each executed **Work**

Authorization shall become a part of this Agreement. Upon satisfactory completion of the **Work Authorization**, the **Engineer** shall submit the Work Authorization's deliverables as specified in the executed **Work Authorization** to the **Owner** for review and acceptance.

Work included in a **Work Authorization** shall not begin until the **Owner** and the **Engineer** have signed the **Work Authorization**. All work must be completed on or before the completion date specified in the **Work Authorization**, unless extended by written agreement by the **Engineer** and the **Owner**. The **Engineer** shall promptly notify the **Owner** of any event that will affect completion of the **Work Authorization**. All **Work Authorizations** must be executed and completed by both the **Engineer** and the **Owner** within the period established for this Agreement as specified in Article 3 hereof.

The final acceptance by the **Owner** of each **Work Authorization** shall serve as evidence of completion, on the part of the **Engineer**, of all services under this Agreement insofar as they pertain to that portion of work identified in the applicable work authorization.

ARTICLE 8. Supplemental Agreements. The terms of this Agreement may be amended by supplemental agreement if the **Owner** determines that (1) there is a need to extend the **Termination Date** identified in Article 3.1 hereof, (2) there has been a significant change in the scope, complexity or character of the services to be performed by the **Engineer**, and/or (3) for any other reason agreeable to the **Owner** and the **Engineer**. All supplemental agreements will be developed in the form identified in **EXHIBIT "F"** – ***Supplemental Agreement Form***, attached hereto and made a part of this Agreement, and incorporated herein by reference as "**Supplemental Agreement**".

If determined appropriate by the **Owner**, additional compensation to the **Engineer** for (1), (2) and/or (3) above shall be paid as a negotiated lump sum fee at the **Contract Rates** specified in **EXHIBIT "D"**, attached hereto. The negotiated lump sum fee shall be incorporated into the **Supplemental Agreement**.

Any **Supplemental Agreement** must be executed by both the **Engineer** and the **Owner** prior to the **Termination Date** specified in Article 3 hereof.

It is distinctly understood and agreed that no claim by the **Engineer** for additional work, as identified in Article 9 hereof, or changes or revisions in work, as identified in Article 10 hereof, shall be made by the **Engineer** until full execution of the **Supplemental Agreement** and authorization to proceed is granted by the **Owner**. The **Owner** reserves the right to withhold payment to the **Engineer** pending verification of satisfactory work performed by the **Engineer**.

ARTICLE 9. Additional Work. If the **Engineer** is of the opinion that any work it has been directed to perform is beyond the scope of this Agreement and constitutes extra work, the **Engineer** shall promptly notify the **Owner** in writing. In the event the **Owner** finds that such work does constitute extra work, the **Owner** shall so advise the **Engineer** and a written supplemental agreement will be executed between the **Owner** and the **Engineer** as provided herein. The **Engineer** shall not perform any proposed additional work or incur any additional costs prior to the execution by both the **Engineer** and the **Owner** of a supplemental agreement. Additional compensation from the Owner to the Engineer shall be paid as a negotiated lump sum fee at the **Contract Rates** specified in **EXHIBIT "D"**, attached hereto. The negotiated lump sum fee shall be incorporated into the supplemental agreement as specified in Article 8 hereof. The **Owner** shall not be liable or under any obligation to compensate the **Engineer** for work performed or costs incurred by the **Engineer** relating to additional work not directly associated with the performance of the work authorized in this Agreement or as amended through supplemental agreement.

ARTICLE 10. Changes or Revisions in Work. If the **Owner** finds it necessary to request changes to the work, and the changes are within the applications of sound engineering principles, the **Engineer** shall make such revisions if requested and directed by the **Owner**.

10.1 Preliminary Work. The **Engineer** will make, without expense to the **Owner**, such revisions of any preliminary reports or drawings as may be required to meet the needs of the **Owner** and the applications of sound engineering principles.

10.2 Previously Approved or Satisfactorily Completed Work. If the **Owner** finds it necessary to request the **Engineer** to make changes to work previously approved by the **Owner** or work satisfactorily completed for which the **Owner** approves or, after a definite plan has been approved by the **Owner**, if a decision is subsequently made by the **Owner**, which for proper execution involves extra services and expenses for changes in or additions to the drawings, specifications or other documents, this will be considered as additional work, and compensation from the **Owner** to the **Engineer** will be in accordance with Article 9 hereof.

10.3 Project Delays. If the **Engineer** is required to perform additional work due to delays by the imposition of causes not within the **Engineer**'s control, such as by the re-advertisement of bids or by the delinquency or insolvency of contractors, such work associated with these delays shall be considered additional work, and the **Engineer** shall be compensated by the **Owner** for such extra services and expense in accordance with Article 9 hereof.

10.4 Reduction of Project Cost. Notwithstanding any provision herein to the contrary, in the event it is necessary for the **Owner** to require changes in the final plan to enable it to reduce the construction cost the **Engineer** will be required to make such revisions or changes. These changes will be considered additional work by the **Engineer**. Payment for this additional work will then be made to the **Engineer** in accordance with Article 9 hereof.

ARTICLE 11. Ownership and Release of Documents.

11.1 Ownership of Documents. Original drawings and specifications are the property of the **Engineer**; however, the Work Authorization deliverables are the property of the **Owner**, and the **Engineer** may not use the drawings and specifications thereof for any purpose not relating to the Work Authorization without the **Owner**'s consent. The **Owner** shall be furnished with such reproductions of drawings and specifications as the **Owner** may reasonably require. Upon completion of the work or any earlier termination of this Agreement under Article 3.4 hereof, the **Engineer** will revise drawings to reflect changes made during construction and will promptly furnish the **Owner** with one complete set of reproducible record prints. Prints shall be furnished by the **Engineer**, as an additional service, at any other time requested by **Owner**. All such reproductions shall be the property of the **Owner** who may use them without the **Engineer**'s permission for any proper purpose relating to the Work Authorization, including, but not limited to, additions to or completion of the Work Authorization. Any additions or revisions by the **Owner** to a drawing signed, sealed, and dated by a registered professional engineer, shall be made in accordance with the Texas Engineering Practice Act and the Rules of the State Board of Registration for Professional Engineers.

All documents furnished to the **Engineer** by the **Owner** shall be delivered to the **Owner** upon completion or termination of this Agreement. The **Engineer**, at the **Engineer**'s own expense, may retain copies of such documents or any other data under this Agreement.

11.2 Release of Documents or Information. Release of information to the public or others regarding the Work Authorization will be in accordance with the Texas Public Information Act.

ARTICLE 12. Discounts, Rebates, Refunds. In connection with procurement services rendered by the **Engineer**, if procurement services are required of the **Engineer** hereunder, all discounts, rebates and refunds shall accrue to the **Owner**. For some purchases, the **Engineer** may deem that payment within the discount period is not safe; and/or inspection, guarantees, or other considerations may dictate delay. In such cases, the **Engineer** shall promptly notify the **Owner** so that a course of action may be mutually agreed upon by the **Owner** and the **Engineer**.

ARTICLE 13. Records, Accounting, Inspection. The **Engineer** shall keep full and detailed records and accounts in a manner approved by the **Owner**. The **Engineer** shall afford the **Owner**'s authorized personnel and independent auditors, if any, full access to the work performed by the **Engineer** regarding the Work Authorization and to all of the **Engineer**'s books, records, correspondence, instructions, drawings, receipts, vouchers and other documents relating to such work under this Agreement, and the **Engineer** shall preserve all such records for three (3) years after final payment. The **Engineer** shall deliver to the **Owner** upon completion of such work, a statement of the cost of such work detailed according to the accounting procedure and requirements of the **Owner**.

ARTICLE 14. Subcontracting and Assignment. The **Engineer** shall not assign, subcontract or transfer the **Engineer**'s interest in this Agreement without the prior written consent of the **Owner**. The **Engineer** shall bind every subconsultant by written subcontract to observe all the terms of this Agreement to the extent that they may be applicable to each subconsultant. No subcontract relieves the **Engineer** of any responsibilities under this Agreement.

The **Engineer**, and the **Owner**, do hereby bind themselves, their successors, executors, administrators and assigns to each other party of this Agreement and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this contract.

ARTICLE 15. Patents. The **Engineer** shall indemnify and save the **Owner** harmless from all liability for alleged or actual infringement of any patent resulting from the use of apparatus or equipment furnished or designed by the **Engineer** or from the use of any process designed by the **Engineer** or effected by said apparatus or equipment, and the **Engineer** shall indemnify and save the **Owner** harmless from and against all costs, legal fees, expenses and liabilities incurred in or about any claim of or action for such infringement; provided, however, that the **Owner** shall promptly transmit to the **Engineer** all papers served on the **Owner** in any suit involving such claim of infringement, and provided further, that the **Owner** permits the **Engineer** to have entire charge and control of the defense of any such suit. If because of actual infringement the use of such apparatus, equipment, or process is enjoined, the **Engineer** shall refund the purchase price thereof in proportion to the length of service uncompleted, the life of such apparatus or equipment being assumed as five years. The **Engineer** hereby grants to the **Owner** a non-exclusive, royalty-free license under patents now or hereafter owned by the **Engineer** covering any machines, apparatus, processes, articles, or products included in the **Engineer**'s work hereunder.

ARTICLE 16. Confidential Information, Inventions and Other Restrictions.

16.1 Confidential Information. The **Engineer** shall not use in any way, commercial or otherwise, except to the extent required by the proper performance of this Agreement; and shall hold in confidence and not disclose to any person, for any reason or at any time, any information relating to the secret processes, products, compositions, machinery, apparatus or trade secrets of the **Owner**, or any other confidential information given to the **Engineer** by any of the **Owner**'s commissioners, elected officials, employees, or representatives or acquired by the **Engineer** during the term of or as a result of this Agreement. Any information not generally available to the public shall be considered secret and confidential for the foregoing purposes; provided, however, that any technical information which was lawfully in the **Engineer**'s possession prior to such disclosure to the **Engineer** by the **Owner** or which is or shall lawfully be published or become part of general knowledge from sources other than the **Engineer** or which otherwise shall lawfully become available to the **Engineer** from a source other than the **Owner**, shall not be subject to these provisions. All the foregoing stipulations shall apply to such information and work hereunder as well as to any information and ideas originated or developed by the **Engineer** in performing such work. Such information may, of course, be disclosed to the proper officials or employees of the **Owner** if necessary to perform the work hereunder. The **Engineer** shall, however, inform each of its employees who receive such information of these restrictions and the **Engineer** shall take all reasonable precautions and exert all reasonable efforts to assure conformance with such restrictions by all of its officers, employees, and agents, obtaining from them if necessary, agreements satisfactory to the **Owner**, effectuating the purposes of this Article.

16.2 Inventions. The **Engineer** shall communicate to the **Owner** at once, and require the **Engineer**'s employees assigned to the Work Authorization to communicate to the **Owner** all inventions and improvements which any of the **Engineer**'s employees, either alone or in conjunction with any of the **Owner**'s employees may conceive, make or discover during the course of or as a result of work on any Work Authorization under this or any ensuing agreement with the **Owner** that relates to the processes, products, compositions, machinery or plants of the **Owner**, or relating in any way to any of the operations in which the **Owner** has been or is engaged at the time, and such inventions and improvements shall become the sole, exclusive property of the **Owner** without any obligation on its part to make any payment therefor in addition to any sums which the **Owner** may be obligated to pay to the **Engineer** as compensation for services rendered by the **Engineer** under contract with the **Owner**. The **Engineer** shall require its employees to execute patent applications and assignments thereof to the **Owner** or its nominees, and powers of attorney relating thereto for any country the **Owner** may designate, and shall take all other actions as the **Owner** may request to maintain and protect such inventions and improvements. The **Owner** shall pay

all costs or charges incurred in protecting such inventions and improvements if the **Owner** desires to protect them. Before assigning any of the **Engineer**'s employees to work under any contract with the **Owner** concerning this Work Authorization, the **Engineer** shall obtain from them agreements satisfactory to **Owner** complying in all respects with the terms and provisions of this Article.

16.3 The rights and obligations set forth in Article 16 shall survive the performance of this Agreement, or any termination, discharge or cancellation thereof.

ARTICLE 17. Engineer's Seal, Responsibility and Warranties.

17.1 Engineer's Seal. The **Engineer** shall assign a responsible engineer or engineers licensed to practice in the State of Texas, who shall sign, seal and date all appropriate engineering submissions to the **Owner** in accordance with the Texas Engineering Practice Act and the Rules of the State Board of Registration for Professional Engineers.

17.2 Engineer's Responsibility. The **Engineer** shall be responsible for the accuracy of the work performed in Work Authorizations, and shall promptly make necessary revisions or corrections resulting from errors, omissions, or negligent acts by the **Engineer**. No additional compensation will be made to the **Engineer** for any necessary revisions or corrections resulting from errors, omissions, or negligent acts by the **Engineer**.

The **Engineer**'s responsibility for all questions arising from design errors and/or omissions will be determined by the **Owner** or a designee appointed by the **Owner**. The **Engineer** will not be relieved of the responsibility for subsequent correction of any such errors or omissions or for clarification of any ambiguities until after the construction phase of the **Project** has been completed.

17.3 Warranties.

(a) The **Engineer** warrants that engineering design work performed by the **Engineer** hereunder shall be in accordance with sound engineering design practices and in conformance with applicable code and standards established for such work.

(b) Notwithstanding anything to the contrary contained in this Agreement, the **Owner** and the **Engineer** agree and acknowledge that the **Owner** is entering into this Agreement in reliance on the **Engineer**'s experience and abilities with respect to performing the **Engineer**'s services hereunder. The **Engineer** accepts the relationship of trust and confidence established between it and the **Owner** by this Agreement. The **Engineer** covenants with the **Owner** to use the **Engineer**'s **best** efforts, skill, judgment and abilities to design the improvements in each Work Authorization and to further the interests of

the **Owner** in accordance with the **Owner**'s requirements and procedures, in accordance with all professional standards, and in compliance with all applicable national, federal, state, county and municipal laws, regulations, codes, ordinances, orders and with those of any other body having jurisdiction. If the development of plans, specifications and estimates (hereinafter referred to as "**PS&E**") are identified in this Agreement under Article 2 hereof or **EXHIBIT "B"**, attached hereto, as part of the services to be provided by the **Engineer** for the Work Authorization, prior to the commencement of construction, the **Engineer** shall certify in writing to the **Owner** that the **PS&E** for the Work Authorization, and the improvements when built in accordance therewith, conform to all applicable governmental regulations, statutes and ordinances then in effect. The **Engineer** represents, covenants and agrees that there are no obligations, commitments or impediments of any kind that will limit or prevent performance of the **Engineer**'s services.

(c) The **Engineer** represents, covenants and agrees that all of **Engineer**'s services to be furnished by the **Engineer** under or pursuant to this Agreement from the inception of the Agreement until the Work Authorization has been fully completed, shall be of the standard and quality which prevail among engineers of similar experience, knowledge, skill and ability engaged in engineering practice throughout Texas under the same or similar circumstances involving the design and construction.

(d) The **Engineer** represents, covenants and agrees that the **Engineer**'s special talent, training and experience cause the **Engineer** to be the prime professional on the Work Authorization; that because of such talent and training, the **Engineer** envisions the construction of the Work Authorization in its entirety, and possesses the special skills which enable the **Engineer** to recognize dangerous conditions that a reasonable, prudent engineer having such special skills could anticipate may arise from the proper use of the improvements after acceptance by **Owner**; that as the design professional, the **Engineer** has some measure of control over any such dangerous conditions; that the **Engineer** has knowledge which will enable the **Engineer** to recognize specific dangers that may arise from the proper use of the improvements after acceptance by **Owner**; and, that the **Engineer** recognizes that any commissioners, elected officials, employees, and agents of the **Owner**, plus residents and owners of property within the area affected by the improvements are within a class of foreseeable persons who will be relying on the improvements being designed in a professional and safe manner.

(e) If the development of **PS&E** is identified in this Agreement under Article 2 hereof or **EXHIBIT "B"**, attached hereto, as part of the services to be provided by the **Engineer** for the Work Authorization, the **Engineer** represents, covenants and agrees that the **PS&E** of the improvements will be accurate and free from any material errors. The **Engineer**

additionally represents, covenants, and agrees to the following: that the design of the improvements will conform to its foreseeable use with all the amenities as set forth in any **PS&E** developed by the **Engineer** for the Work Authorization; that the result of such **PS&E**, if built in accordance therewith, will be suitable for purposes for which the improvement is designed; that the result of **Engineer**'s inspection of the improvements will be suitable for purposes for which the improvements were designed; and, the improvements will be inspected in a workmanlike, professional manner and will be suitable for the Work Authorization's intended purpose. The **Engineer**'s responsibilities as set forth herein shall at no time be in any way diminished by reason of any approval by the **Owner** of any **PS&E** developed by the **Engineer** for the Work Authorization, nor shall the **Engineer** be released from any liability by reason of such approval by the **Owner**, it being understood that the **Owner** at all times is ultimately relying upon the **Engineer**'s skill and knowledge in preparing such **PS&E**.

(f) In connection with the **Engineer**'s performance of procurement services hereunder, if any, the **Engineer** shall use its best efforts to obtain from all vendors of equipment and materials, fullest possible warranties against defective materials and workmanship for the benefit the **Owner**.

ARTICLE 18. Engineer's Resources. The **Engineer** shall furnish and maintain, at the **Engineer**'s own expense, office space for the performance of all services, skilled and sufficient personnel, as well as adequate and sufficient equipment to perform the services as required under this Agreement.

18.1 Project Manager. The **Engineer** shall provide a manager **(Project Manager)** for the Work Authorization that is a registered professional engineer in the State of Texas. The **Project Manager** shall have such knowledge and experience as will enable the **Project Manager** to perform the duties required for the services under this Agreement. The **Engineer** may change the **Project Manager** during the course of the Work Authorization without prior consent of the **Owner**. If, due to situations beyond the control of the **Engineer**, the **Engineer** must change the **Project Manager** prior to the completion and acceptance of the improvements, the **Engineer** will submit a request to change the **Project Manager** to the **Owner** for approval.

18.2 Employees of the Engineer. All employees of the **Engineer** shall have such knowledge and experience as will enable them to perform the duties assigned to them and required for the services under this Agreement. Any employee of the **Engineer** who, in the opinion of the **Owner**, is incompetent, or whose conduct becomes detrimental to the work required under this Agreement, shall immediately be removed from association with the Work Authorization when so instructed by the

Owner. The **Engineer** certifies that the **Engineer** presently has employed sufficient and qualified personnel, and will maintain sufficient and qualified personnel for performance of the services under this Agreement.

18.3 Documents/Information Exchange. The purpose of this Article is to define the required automated resources, format for graphics files, and information exchange pertaining to the Work Authorization. Taking into consideration that the **Owner** has a significant investment in the development of the improvements, there is a need for the **Engineer** to provide consistency in document development for information exchange. Consistency in document development for information exchange and production will help facilitate an economically efficient improvement. Therefore, the **Engineer** shall provide the **Owner** with documents and information in accordance with the special requirements outlined in **EXHIBIT "B"** attached hereto.

ARTICLE 19. Indemnification. To the fullest extent permitted by applicable law, the **Engineer** and its agents, partners, subcontractors, and consultants (collectively "**Indemnitors**") shall and do agree to indemnify, and hold harmless the **Owner**, the **Owner**'s respective directors, elected officials, employees and agents (collectively "**Indemnitees**") from and against all claims, damages, losses, liens, causes of action, suits, judgments and expenses, including attorney fees, of any nature, kind or description (collectively "**Liabilities**") of any person or entity whomsoever arising out of, caused by or resulting from the negligent performance of the **Engineer**'s services through activities of the **Engineer**, its agents, partners, subcontractors and/or consultants performed under this Agreement, and which are caused by or result from error, omission, or negligent act of the **Engineer** or of any person employed or contracted by the **Engineer** provided that any such **Liabilities** (1) are attributable to bodily injury, personal injury, sickness, disease or death of any person, or to the injury to or destruction of tangible personal property including the loss of use and consequential damages resulting therefrom and (2) are caused in whole or in part by any negligent act or omission of the **Engineer**, anyone directly or indirectly employed by the **Engineer** or anyone for whose acts the **Engineer** may be legally liable. The **Engineer** shall also save harmless the **Owner** from any and all expense, including, but not limited to, attorney fees which may be incurred by the **Owner** in litigation or otherwise resisting said claim or liabilities which may be imposed on the **Owner** as a result of such activities by the **Engineer**, its agents, partners, subcontractors and/or consultants. In this connection, it is agreed and understood that the **Engineer** shall not be responsible for any portion of the liability proximately caused by the **Owner**'s negligence.

ARTICLE 20. Joint and Several Liability. In the event more than one of the **Indemnitors** are connected with an accident or occurrence covered by the indemnification in Article 19 hereof, then each of such **Indemnitors** shall be jointly and

severally responsible to the **Indemnitees** for indemnification and the ultimate responsibility among such **Indemnitors** for the loss and expense of any such indemnification shall be settled by separate proceedings and without jeopardy to any **Indemnitee**. The provisions of this Article shall not be construed to eliminate or reduce any other indemnification or right which the **Owner** or any of the **Indemnitees** has by law.

ARTICLE 21 Insurance. The **Engineer** shall obtain and maintain insurance in the limits of liability for each of the types of insurance coverage identified as follows:

(1) Workers' Compensation, endorsed with a waiver of subrogation in favor of the **Owner** in accordance with the statutory obligations imposed by Worker's Compensation or Occupational Disease laws under the Texas Workers' Compensation Law ("**Statutory Texas**").

(2) Commercial General Liability, endorsed with the **Owner** as an additional insured and endorsed with a waiver of subrogation in favor of the **Owner** *all to the extent of the liabilities assumed by the Engineer under Article 19 and Article 20 herein*, in limits of liability not less than one million dollars (**$1,000,000**) combined single limit each occurrence and in the aggregate for bodily injury and property damage.

(3) Texas Business Automobile Policy, endorsed with the **Owner** as an additional insured and endorsed with a waiver of subrogation in favor of the **Owner** *all to the extent of the liabilities assumed by the Engineer under Article 19 and Article 20 herein*, in limits of liability not less than two hundred fifty thousand dollars (**$250,000**) each person for bodily injury, five hundred thousand dollars (**$500,000**) each occurrence for bodily injury, and one hundred thousand dollars (**$100,000**) each occurrence for property damage.

(4) Professional Liability in limits of **$1,000,000** each claim and aggregate.

The **Engineer** covenants and agrees to maintain an insurance policy in the minimum limits of liability for each of the types of insurance coverage identified above. The **Engineer** shall furnish the **Owner** with a certificate of insurance (***Hidalgo County* Certificate of Insurance**) showing the said policy to be in full force and effect during the period of service, identified in Article 3 hereto, for this Agreement. The completed ***Hidalgo County Certificate of Insurance*** shall be attached hereto and identified as **EXHIBIT "G"- *Hidalgo County Certificate of Insurance***. The **Engineer** will be considered in breach of contract should the **Engineer** fail to maintain an insurance policy in the minimum limits of liability and requirements identified above while performing services for and under this Agreement, and will be subject to default and termination of the Agreement as outlined in Article 3.4 hereto. Additionally, the **Engineer** covenants and agrees to use its best efforts to maintain an

insurance policy in the minimum limits of liability and requirements identified above until one year following the date of the acceptance of the Work Authorization by the **Owner**.

ARTICLE 22. Compliance with Laws. The **Engineer** shall comply with all applicable Federal, State and local laws, statutes, codes, ordinances, rules and regulations, and the orders and decrees of any court, or administrative bodies or tribunals in any manner affecting the performance of this Agreement, including, without limitation, worker's compensation laws, minimum and maximum salary and wage statutes and regulations, and licensing laws and regulations. When required, the **Engineer** shall furnish the **Owner** with satisfactory proof of its compliance therewith.

ARTICLE 23. Noncollusion. The **Engineer** warrants that the **Engineer** has not employed or retained any company or persons, other than a bona fide employee working solely for the **Engineer**, to solicit or secure this Agreement, and that the **Engineer** has not paid or agreed to pay any company, engineer or any other person or entity any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or execution of this Agreement. For breach or violation of this warranty, the **Owner** shall have the right to annul this Agreement without liability or, in the **Owner**'s discretion, to deduct from the ***Services Fee***, or otherwise recover, the full amount of each fee, commission, percentage, brokerage fee, gift or contingent fee.

ARTICLE 24. Gratuities. The **Owner** mandates that employees of the **Owner** shall not accept any benefits, gifts or favors from any person doing business or who reasonably speaking may do business with the **Owner** under this Agreement; the only exceptions allowed are ordinary business meals. Any person doing business with or who may reasonably seeking to do business with the **Owner** under this Agreement may not make any offer of benefits, gifts or favors to **Owner** employees, except as mentioned herein above. Failure on the part of the **Engineer** to adhere to this provision may result in the termination of this Agreement.

ARTICLE 25. Payment of Franchise Tax. The **Engineer** hereby certifies that the **Engineer** is not delinquent in Texas franchise tax payments, or that the **Engineer** is exempt from, or not subject to, such a tax. A false statement concerning corporation's franchise tax status shall constitute grounds for termination of the Agreement at the sole option of the **Owner**.

ARTICLE 26. Disputes. The **Engineer** shall be responsible for the settlement of all contractual and administrative issues arising out of any procurement made by the **Engineer** in support of the services under this Agreement.

ARTICLE 27. Severability. In the event 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.

ARTICLE 28. Notices. All notices to either party by the other required under this Agreement shall be personally delivered or mailed to such party at the following respective addresses:

OWNER:	***Hidalgo County***	**ENGINEER:**	**TEDSI Infrastructure Group, Inc.**
	100 East Cano, 2nd Floor		**1201 E. Expressway 83**
	Edinburg, Texas 78539		**Mission TX 78572**

The address may be changed by either party by written notice, and notice so mailed shall be effective upon mailing.

ARTICLE 29. Miscellaneous Provisions.

(a) This Agreement constitutes the entire Agreement between the **Engineer** and the **Owner** relating to the work herein described, and supersedes any prior understanding or written or oral contracts between the parties respecting the subject matter defined herein. There are no previous or contemporary representations or warranties of the **Owner** or the **Engineer** not set forth herein.

(b) Except as specifically provided herein, no modification, waiver, termination, rescission, discharge, or cancellation of this Agreement or of any terms thereof shall be binding on the **Owner** unless in writing and executed by an officer or employee of the **Owner** specifically authorized to do so.

(c) No waiver of any provision of or a default under this Agreement shall affect the right of the **Owner** thereafter to enforce said provision or to exercise any right or remedy in the event of any other default, whether or not similar.

(d) No modification, waiver, termination, discharge or cancellation of this Agreement or of any terms thereof shall impair the **Owner**'s rights with respect to any liabilities, whether or not liquidated, of the **Engineer** to the **Owner** theretofore accrued.

(e) All rights and remedies of the **Owner** specified in this Agreement are in addition to the **Owner**'s other rights and remedies.

(f) The **Engineer** shall remain an independent contractor and shall have no power, nor shall the **Engineer** represent that the **Engineer** has any power, to bind the **Owner** or to assume or to create any obligation express or implied on behalf of the **Owner** except as specifically authorized in advance by the **Owner**.

(g) The Agreement shall be construed under the laws of the State of Texas and is performable in Hidalgo County, Texas.

(h) This Agreement may only be amended by a written document executed by the **Owner** and the **Engineer** as provided by Article 8 herein.

ARTICLE 30. Signatory Warranty The undersigned signatory or signatories for the **Engineer** hereby represent and warrant that the signatory is an officer of the organization for which he or she has executed this Agreement, and that he or she has full and complete authority to enter into this Agreement on behalf of the **Engineer**. The above-stated representations and warranties are made for the purpose of inducing the **Owner** to enter into this Agreement.

IN WITNESS WHEREOF, the **Engineer** and the **Owner** have caused this **Agreement for Professional Services** to be effective as of the _____ day of _____, **2008**.

ENGINEER:
TEDSI Infrastructure Group, Inc.

BY: _____
Jesse Salinas, Chief Executive Officer

OWNER:
HIDALGO COUNTY

BY: _____
Juan D. Salinas III, County Judge

ATTEST:

By: _____
Arturo Guajardo Jr., Hidalgo County Clerk

ATTACHMENTS:

EXHIBIT A	-Scope of Services to be Provided by the Owner
EXHIBIT B	-Scope of Services to be Provided by the Engineer
EXHIBIT C	-Work Schedule
EXHIBIT D	-Engineer's Contract Rates
EXHIBIT E	-Work Authorization Form
EXHIBIT F	-Supplemental Agreement Form
EXHIBIT G	-Certificate of Insurance (*Hidalgo County*)

Approved As To Form:
Atlas & Hall, LLP

By: _____

EXHIBIT "A"

SERVICES TO BE
PROVIDED BY OWNER

EXHIBIT "A"

Services to be Provided by the Owner

The following provides an outline of the services to be provided by the **Owner** in the development of the **Work Authorizations**.

The **Owner** will provide to the **Engineer** the following:

1) Prepare and execute a Purchase Order with Hidalgo County Purchasing Department
2) Authorization to the Engineer to begin work.
3) Payment for work performed by the engineer.
4) Assistance to the Engineer, as necessary, to obtain required data and information from other local, regional, and state agencies that the Engineer cannot easily obtain.
5) Secure required Environmental permits from regulatory agencies
6) Acquire additional Right of Way identified by the Engineer
7) Provide any available relevant data that may on file concerning the Project.
8) Provide timely review and decisions in response to the Engineers request for information and/or submittals and deliverables.
9) Attend and participate in progress meetings as required and as coordinated and conducted by the Engineer.
10) Advertise and award, as assisted and recommended by the Engineer, construction contracts for the PS&E developed by the Engineer.
11) Attend pre-bid and pre-construction conferences coordinated and conducted by the Engineer.
12) Review and approve monthly and final estimates, developed by the Engineer, for payment to the Contractor. Compensate and pay the Contractor for work performed as identified in the approved monthly and final estimates.
13) Provide assistance to Engineer where necessary and possible with Owner information/resources to ensure project is completed within timely/efficient basis.
14) Provide Engineer with Geotechnical Data for pavement design and thickness.

EXHIBIT "B"

SCOPE OF SERVICES

TO BE PROVIDED BY ENGINEER

EXHIBIT "B"

Generalized Services to be Provided by the Engineer

The engineer shall provide the following engineer services required for the preparation of the plans, specification and estimate, and related documents for the above noted project. The Engineer shall maintain a direct line of communication and coordinate very closely with the Hidalgo County.

ROUTE AND DESIGN STUDIES

1) Develop and assemble Preliminary Construction Cost Estimates at 30%, 60% and 90% milestone submittals.
2) Develop Roadway Design Criteria; prepare the Design Summary Report.
3) Attend, participate and document the Design Concept Conference.
4) Conduct additional soil core hole drilling to supplement those already collected. Utilize existing soil boring information if available.
   a) Retaining Walls
   b) Miscellaneous Structures
   c) Bridges
5) Prepare foundation information summary for all structures.
6) Develop a feasibility study, design alternative analysis and/or a geometric schematic
7) Assist in developing a public involvement plan and accomplish tasks as necessary to effectuate the plan
8) Identify existing right of way limits and locate all major utilities within the study limits.
9) Determine minimum ROW and easement requirements using the proposed typical sections and preliminary cross sections. Adjust the proposed typical sections to accommodate refinements in design of the proposed alternative. Such refinements may include widening of pavement for turn lanes, changes in side slopes to reduce ROW requirements, use of retaining walls to minimize ROW and environmental impacts, addition of the proposed pavement design section, and other changes in the roadway typical sections.
10) The ENGINEER will provide an Engineering Summary Report outlining the various design alternatives considered with reasons for selection of the preferred alternative. All of the engineering analysis and methodology used in determining the preferred alternative will be documented in the report.
11) Conduct an analysis of traffic operations (level of service) for the intersecting streets using acceptable simulation software based on traffic data provided by TxDOT. This analysis will be used to determine the appropriate intersection design. Diagrams will also be developed of the existing and projected traffic volumes and turning movements, to be shown on the schematic drawing.
12) Obtain traffic counts at specific locations using tube counters and or personnel to obtain traffic counts.

SOCIAL, ECONOMIC AND ENVIRONMENTAL STUDIES, AND PUBLIC INVOLVEMENT

1) Prepare environmental questionnaire and associated exhibits.
2) Prepare environmental documents (categorical exclusions or assessments) including the following elements, as appropriate:
   a) Description of the existing facility/setting and environment
   b) Description of the proposed action including appropriate discussions of roadway construction, utility construction, right-of-way needs and funding/construction cost
   c) Explanation of the need and purpose for the project
   d) Discussion of reasonable alternatives
   e) Potential social, economic and environmental factors
      i) Social impacts
         (1) Relocations/displacements of people, businesses and farms
         (2) Environmental justice
         (3) Community Cohesion
         (4) Social Economic Data
         (5) Land Use
         (6) Regional and community growth

(7) Public facilities and services

ii) Economic impacts (i.e. property values, regional and individual access,

(1) emergency response) iii. Environmental impacts (i.e. land use, water quality, noise, air quality,

(2) vegetation, endangered species, historic/archaeological/cultural

(3) resources, hazardous materials/contamination)

3) Discussion of secondary impacts
4) Conclusion of findings
5) Schedule, coordinate, attend and follow-up activities for public involvement meeting(s) and/or hearing(s).
6) Prepare exhibits for the public meetings, railroads, etc. as required.
7) The ENGINEER will perform evaluations and other tasks related to permitting issues for particular locations or elements of the project.

RIGHT-OF-WAY & UTILITIES

1) Right-of-Way:
   a) Identify areas where temporary construction/driveway easements or agreements may be required.
   b) Prepare exhibits for driveway penetration agreements.
   c) Identify areas where additional rights of way or drainage easements may be required.
2) Utility Coordination:
   a) Identify & map existing and proposed utility locations. Proposed utilities will only be mapped if Microstation files depicting the proposed utilities are supplied by the utility company and they line up with the project datum and coordinate system.
   b) Coordinate and attend utility coordination meetings. Engineer to provide copies of plans and cross sections to the utility companies.
   c) Incorporate resolutions from utility coordination meetings into plans.
   d) Coordinate with utility companies to determine areas of conflicts.
   e) Provide coordination of utility adjustments with assistance from County. Provide technical assistance and meeting exhibits as needed. Verify utility relocation plans are in accordance with TxDOT's Utility Accommodation Policy Manual.

FIELD SURVEYING

1) Obtain right of entry (short of litigation) to adjacent properties, as required.
2) Cross section drainage channels and drainage facilities as required.
3) Ties to existing bridges, bridge foundations, culverts and other existing drainage facilities as required.
4) Locate proposed soil core holes as drilled.
5) Establish x, y, and z coordinates of power poles, manholes and valves of various utilities, flow lines of existing sanitary sewer and storm sewer lines, and subsequent utility ties of facilities exposed by others.
6) Update planimetries to accurately reflect changes in topography due to development, erosion, etc.
7) Provide aerial survey services to produce
   a) Digital Terrain Models
   b) Digital Ortho Rectified Photos
   c) Digital planmetric
8) Re-establish project baseline and appropriate offset(s) - recover and verify.
9) Provide project ties at limits of project in order to provide adequate length to establish grades.
10) Temporary signs, traffic control, flags, safety equipment, etc. Traffic control includes services of warning sign company to provide lane closures as required for safety of survey personnel.

ROADWAY DESIGN CONTROLS

1) Grading Design
   a) Finalize horizontal and vertical alignments, and superelevation transitions of roadways based upon the approved schematic layout. Determine vertical clearances at grade separations and overpasses, taking into account the appropriate superelevation rate. Prepare Horizontal Alignment Data sheets, Horizontal Alignment Layout sheets, and

Survey Control Data sheets.

b) Prepare Project Layout sheets.
c) Develop Typical Sections & Form 1002 for submittal & approval. Prepare Existing and Proposed Typical Section sheets.
d) Prepare Existing Plan sheets and Planing Layout sheets.
e) Prepare plan and profile sheets for roadway and intersecting streets as required for widening and/or reconstruction.
f) Develop Design Cross Sections - Design Cross Sections shall be submitted in electronic format and on 11" x 17" paper sheets or roll drawings. Design Cross-sections shall incorporate the following details on each section:
    i) Baseline & ROW Designations.
    ii) Existing Natural Ground, Finished Grade
    iii) .Earthwork will be calculated according to specification and calculations shown for each cross section.
    iv) Side Slope ratios.
    v) Driveways as required.
g) Determine roadway quantities, including cut and fill quantities, and prepare quantity summary sheets. Show earthwork quantities on the plan sheets and cross sections.

DRAINAGE

1) Hydraulic Drainage Study and Documentation
    a) Gather information regarding existing drainage features, facilities and watersheds.
    b) Evaluate existing drainage conditions.
    c) Develop drainage area map and discharge rates. D. Hydraulic computations
        i) Cross Drain Culverts
        ii) Channels
        iii) Storm drainage/inlets
        iv) Drainage analysis of waterways
        v) Surface Channels/Ditches
2) Layout, Structural Design and Detailing of Drainage Features
    a) Culverts replacements and or extensions with impact analysis based on FEMA criteria for 100 year storm.
    b) Storm drains
        i) New storm drainage
        ii) Modify existing storm drains
        iii) Inlets
        iv) Manholes
        v) Trunk lines
        vi) Temporary drainage facilities
3) Storm Water Pollution Prevention Plan (SW3P)
    a) Develop SW3P Narrative
    b) Develop separate SW3P Plans for each phase of construction. SW3P controls may include but are not limited to temporary sediment fence, construction exits, detention ponds, and rock berms.
        i) Development of plans and details for Best Management Practices (BMPs) for permanent water quality features.
        ii) Scour evaluations and preparation of scour report as needed.
        iii) Determine quantities for drainage and SW3P items and prepare Summary of Quantity sheets.

SIGNING, MARKINGS AND SIGNALIZATION

1) Develop Traffic Signal Plans as required. Prepare Traffic Signal Layout and Detail Sheets
    a) Determine quantities and prepare quantity summary sheet
        i) List of all bid items
        ii) Bid item quantities
        iii) Specification item number
        iv) Paid item description and unit of measure
    b) Basis of estimate sheet (list of materials)

c) General notes and specification data sheet
d) Plan sheet(s)
    i) Existing traffic control that will remain (signs and markings)
    ii) Existing utilities
    iii) Proposed highway improvements
    iv) Proposed installation
    v) Proposed additional traffic controls
    vi) Proposed illumination attached to signal poles.
e) Notes for plan layout
f) Phase sequence diagram(s)
    i) Signal locations
    ii) Signal indications
    iii) Phase diagram
    iv) Signal sequence table
    v) Flashing operation (normal and emergency)
    vi) Preemption operation (when applicable)
    vii) Interval timing, cycle length and offset
g) Construction detail sheets(s)
    i) Poles (TxDOT standard sheets)
    ii) Detectors
    iii) Pull Box and conduit layout
    iv) Controller Foundation standard sheet
h) Barricade and warning sign standard sheet and any special details for work zone traffic control for special conditions
i) General Traffic Signal Requirements
    i) Contact local utility company
        (1) Confirm power source
        (2) Discuss route of aerial or underground interconnect cable (when applicable)
        (3) Adjustment of overhead utility lines
    ii) Prepare governing specifications and special provisions list
    iii) Prepare traffic signal estimate

2) Signing and Pavement Marking Plans
a) Signing and Pavement Marking Layouts, details include:
    i) Roadway layout
    ii) Center tine with station numbering
    iii) ROW lines
    iv) Culverts and other structures that present a hazard to traffic
    v) Approximate location of utilities
    vi) Existing signs to remain, to be removed, to be relocated
    vii) Proposed signs (illustrated and numbered)
    viii)Proposed markings (illustrated and quantified) which include pavement markings, object markings and delineation
    ix) Quantities of existing pavement markings to be removed
    x) Proposed delineators and object markers
b) Determine quantities and prepare Summary of Small Signs Tabulation
c) Determine quantities and prepare Summary of Large Signs Tabulation including all Guide Signs
d) Sign Detail Sheets
    i) Ail signs except route markers
    ii) Design details for large guide signs
    iii) Dimensions of letters, shields, borders, corner radii etc.
    iv) Designation of shields attached to guide signs
    v) Designation of arrow used on exit direction signs

e) Determine final pavement marking and delineation quantities and prepare Pavement Marking Summary sheet

MISCELLANEOUS (ROADWAY)

1) Retaining Walls
   a) Prepare Retaining Walls Layouts and Details, possible wall types:
   b) Retaining Wall Layouts (PLAN), include:
      i) Designation of reference line
      ii) Beginning and ending retaining wall stations
      iii) Offset from reference line
      iv) Horizontal curve data
      v) Total length of wall
      vi) Indicate face of wall
      vii) All wall dimensions and alignment relations (alignment data as necessary)
      viii) Soil core hole locations
      ix) uncontaminated, subsurface drainage details
   c) Retaining Wall Layouts (ELEVATION), include:
      i) Top of wall elevations at each joint or intervals
      ii) Existing and finished ground line elevations
      iii) Limits of measurement for payment
      iv) Top and bottom of wall profiles and soil core hole data plotted at correct station and elevation. The plot shall be at the same scale as the wall profile. Ground water elevations and the observation date shall be shown.
      v) Uncontaminated, subsurface drainage details
   d) Foundation Studies shall be obtained at approximately 100 foot intervals along retaining wall alignments over soft or questionable ground. The core holes shall extend a minimum of 15 feet below the footing elevation or deeper (as soil conditions warrant). In no instance should the spacing of core holes exceed 500 feet.
   e) Determine Retaining Wall Quantities and Estimate. Prepare Summary of Quantities sheet.
   f) Typical Retaining Wall cross sections.
   g) General Guidelines for Retaining Walls. For projects where total estimated retaining wall quantity exceeds 30,000 square feet, preliminary retaining wall layouts shall be submitted no later than 6 months prior to the Austin Division PS&E submission deadline.
2) Illumination
   a) Illumination Plan Layouts
      i) Roadway layout noting pavement edges, shoulders, curbs, retaining walls, etc.
      ii) Center line with station numbering.
      iii) ROW lines.
      iv) Symbol legend. Use department standard symbols for lighting and eiectrical.
      v) Culverts and other structures that present a hazard to traffic.
      vi) Location of underground utilities, if not shown on plan profile.
      vii) Location of overhead electrical tines, both crossing and parallel to ROW.
      viii) Existing sign lighting circuits and roadway illumination to remain or be removed.
      ix) Existing service poles, electrical circuits, ground boxes, etc.
      x) Contact electric utility for service pole locations, voltage characteristics.
      xi) Location of proposed roadway illumination
      xii) Proposed electrical circuits.
      xiii) Tabulation of all quantities including proposed, existing to be relocated, existing to be removed. The layout sheet quantities and lighting summary shall be shown. Tabulations to include estimated quantity with a column for final quantities.
   b) Prepare FAA forms and letters if required.
3) Determine if intersections at the frontage roads will require re-grading to meet ADA requirements across the accessible route.
4) Widen the intersections for right turn lanes and left turn lanes as identified by the TxDOT Traffic Engineer.

5) Develop Miscellaneous Roadway Details.
6) Develop Driveway Details & Summaries. Determine and design driveways required for reconstruction to meet ADA requirements.
7) Formulate and Prepare Traffic Control Plan, Detours and Sequence of Work Narrative. Develop Traffic Control Plan (TCP) for all phases of construction. A detailed TCP shall be developed when traffic handling during construction involves complications for which a feasible solution is not covered by the current Texas MUTCD, the current Barricade and Construction (BC) Standards or the current Traffic Control Plan Standards (TCP). For the purposes of this contract, the TCP will be developed according to the District's Guidelines for Traffic Handling. For the purposes of this contract, the traffic control plans (including temporary drainage, signing, striping and signalization) will be developed in conjunction with adjoining projects, and shall include Traffic Management System and Joint Bid Utility facilities. The Engineer shall interface and coordinate alt phases of work, including the traffic control plans, with the State's consultant(s) preparing the PS&E of the proposed project immediately adjacent to this project.
   a) Formulate overall Traffic Control concepts and construction sequence phases.
   b) Develop Sequence of Work Narrative describing of all phases of the TCP that typically appears in the construction contract proposal. As such, the narrative is not required to appear on the individual TCP sheets.
   c) Develop TCP Layouts and Details for all phases of construction. The following items are required on all TCP Layouts:
      i) The sequence of construction and method of handling traffic during each phase.
      ii) The existing and proposed traffic control devices that will be used to handle traffic during each construction sequence. Include temporary signals, regulatory signs, warning signs, construction warning signs, guide signs, route markers, construction pavement markings, channelizing devices, portable changeable message signs, flashing arrow boards, barricades, barriers, and temporary illumination.
      iii) The proposed traffic control devices (stop signs, signals, flag person, etc.) at grade intersections during each construction sequence.
      iv) Where detours are provided, typical and design cross sections shall be shown and/or provided.
      v) Road construction work hours shall be directed by the State and specified for all phases of the TCP.
   d) Develop TCP quantities and prepare Summary of Quantity sheets.
   e) Develop CPM Construction Schedule utilizing Suretrack Software.
8) Prepare Title Sheet and Index sheets.
9) Calculate project quantities and prepare quantity summary sheets.
10) Prepare special specifications for non-standard items, if required, and a list of special provisions to be used. New specification book will be utilized on this project.
11) Prepare general notes applicable to the project.
12) Prepare list of TxDOT Standard Drawings to be included in the plans, provide mylar of each.
13) Prepare, if needed, a list of:
   a) Right-of-Way (ROW) encroachments
   b) ROW parcels
   c) Utility conflicts and relocations
   d) Surface Aggregate Selection Form
   e) Engineering certifications
14) Assemble plans for project milestones. Three reproducible paper (11" x 17") copies of the plans shall be submitted to the TxDOT Contract Management Office at the 30%, 60%, 90% and 95% design completion stages.
15) The 95% design completion submittal shall include those items listed in the Pharr District Checklist.
16) Attend review meetings for project milestones and make necessary revisions to the plans.
17) Upon completion of the District review of the plans, the Engineer shall assemble and furnish signed original Mylar (11" x 17") drawings which shall include all applicable standards.
18) Assemble and furnish CADD files of all project files.
19) Coordinate with County staff, TxDOT, local municipal agencies, utility companies, and subconsultants.
20) Agreements - Prepare exhibits for Utility Agreements at 30%, 60%, and 90% project review milestones. This will consist of paper copies of Plan & Profile sheets, typical sections, cross sections, traffic signal and illumination foundation locations and the title sheet. Work does not include design of utility adjustments.
21) Prepare exhibits for railroad agreements.

BRIDGE DESIGN

1) Preparation of Structural Details
   a) New Structures
   b) Replacement Structures and Widenings
   c) Bridge Classification Culverts
      i) New Bridge Class structures as required
      ii) Modification/extension of existing structures as required
2) Preparation of Bridge Layouts (each bridge)
   a) Bridge Layouts (PLAN)
      i) Horizontal curve information or bearing of centerline.
      ii) Including horizontal, vertical, and template information of all roadways or railroads crossed.
      iii) Bearing of center line or reference line.
      iv) Skew angle(s).
      v) Slope for header banks and approach fills.
      vi) Control stations at beginning and ending of bridge (with deck elevation), intersections, etc.
      vii) Approach pavement and crown width.
      viii) Bridge roadway width and curbs, face of rail, shoulders, or sidewalks.
      ix) Bridge end treatments (cement stabilized backfill details, etc.)
      x) Limits and type of riprap.
      xi) Proposed features under structure.
      xii) Location of profile grade line.
      xiii) North arrow.
      xiv) Typical bridge roadway section including preliminary proposed beam types and spacings.
      xv) Cross slope and superelevation data.
      xvi) Minimum horizontal clearances will be calculated and indicated (dimensioned) to controlling features, when applicable.
      xvii) Location of soil core holes (station and offset), shown on layout.
      xviii) Bent stations and bearings.
      xix) Retaining wall locations.
      xx) Traffic flow directional arrows.
      xxi) Railing types shown (use single slope railing unless otherwise directed).
      xxii) Joint types and seal size, if used.
      xxiii) Beam line numbers consistent with span details.
      xxiv) Critical horizontal clearances (location of railroad tracks, nearby structures and utilities).
      xxv) Bearings of utilities.
      xxvi) Overhead sign bridge locations, if applicable
   b) Bridge Layouts (ELEVATION)
      i) Type of foundation.
      ii) Finished grade elevations at beginning and end of bridge,
      iii) Overall length of structure.
      iv) Length, type of spans and units.
      v) Type of railing.
      vi) Minimum calculated vertical clearance(s).
      vii) Existing and proposed ground lines clearly marked.
      viii) Grid elevations and stations.
      ix) Bent numbers encircled.
      x) Stationing of bridge compatible with grid stations.
      xi) Standard title.
      xii) Profile grade data.
      xiii) Type of riprap.

xiv) Soil Core Hole information with penetrometer test data shall be shown on the bridge layout at correct station, elevation and scale.
xv) Dowel locations at all bents.
xvi) Column "H" heights.
xvii) Number, size and length of foundations.
xviii) Overhead sign bridge locations.

c) Additional layout requirements for waterway structures and bridge classification culverts.
i) Design and 100-year peak discharges.
ii) Design and 100-year high water (HW). (Recorded HW and date if available.)
iii) Natural and through-bridge velocities for design and 100-year floods.
iv) Calculated backwater for design and 100-year floods.
v) Direction of flow for waterway crossings.
vi) Contours for water crossing.

3) Bridge Classification Culvert, Estimate, Quantities, and Specifications (each bridge)
4) The minimum number of soil core holes shall be determined in accordance with Section 1-301 of the Bridges and Structures Foundation Exploration and Design Manual. Soil core holes shall be obtained at approximately 200 foot intervals along bridge alignments. Texas cone penetrometer (TCP) tests shall be conducted in all soil types encountered at a maximum of 10 foot intervals. If single column bents with single drilled shafts are planned, TCP values should betaken at closer intervals in the upper 15 feet.
5) Bridge Total Quantities, Cost Estimates, and Summary Sheets (each bridge)
6) Bridge Special Provisions and Specifications (each bridge)
7) Bearing seat elevations for each beam or girder. Top of cap elevations for non-beam type structures.
8) General Guidelines for Bridge Design - The Engineer shall prepare a bridge layout of each bridge structure for the District's review and approval. The bridge layout shall be in conformance with the Bridges and Structures, Operation and Planning Manual and the Bridges and Structures, Detailing Manual. Soil core hole data is not required for submission of the preliminary bridge layout. No bridge design work is to be performed until the State has given the Engineer written approval of the preliminary bridge layout. Several months may be required after the preliminary bridge layout is submitted for the District to obtain approval and/or permits from the following: TxDOT Design Division, FHWA, US Army Corps of Engineers, Texas Parks and Wildlife. Consequently, the Engineer's design contract schedule should reflect all bridge layouts being submitted at the earliest possible date, and generous review times should be associated with the submittals.
9) General Bridge Design Considerations
a) Consider use of integral abutment in conjunction with cantilever drilled shaft wall.
b) Provide structural evaluation for the possibility of using existing bridge drilled shafts and/or columns if the bridge is replaced.
c) Provide recommendations for the possibility of using pre-cast caps or columns.

CONSTRUCTION PHASE SERVICES

1) Review and approve shop drawings
2) Review and approve form details
3) Respond to request for information (RFI)
4) Provide engineer services for development of field changes
5) Provide technical support for answering general questions and clarification of information on plans
6) Attend pre-construction meeting
7) Other project related task to support construction activities.

EXHIBIT "C"
WORK SCHEDULE

EXHIBIT "C"

Work Schedule

A detailed work schedule for each **Work Authorization**, identified and more particularly described in Article 7 of this Agreement, shall be prepared by the **Engineer** to be submitted and approved by the Owner in writing for each **Work Authorization**. The work schedule will provide specific work sequence and definite review times by the **Owner** and the **Engineer** of the work performed.

The **Engineer** will diligently pursue the completion of each **Work Authorization** as defined by the milestones and deliverable due dates outlined in each **Work Authorization**'s associated work schedule.

The **Engineer** will inform the **Owner** (in reasonable advance of the delay) should the **Engineer** encounter delays that would prevent the performance of all work in accordance with the established work schedule.

EXHIBIT "D"
FEE SCHEDULE

Exhibt D

Lump Sum Payment Basis

DIRECT LABOR

Labor/Staff Classification	* TxDOT BASE RATE FY08	* TxDOT CONTRACT RATE FY09	* TxDOT CONTRACT RATE FY10
Sr. Project Manager	$57.19	$183.19	$190.52
Project Manager	$55.30	$177.14	$184.23
Sr. Engineer	$48.22	$154.46	$160.64
Project Engineer	$42.94	$137.55	$143.05
Design Engineer	$32.27	$103.37	$107.50
Sr. Engineer Tech	$36.81	$117.91	$122.63
Engineering Techr	$32.27	$103.37	$107.50
CADD Operator	$24.81	$79.47	$82.65
Admin/Clerical	$18.43	$59.03	$61.39

Overhead Rate: 175.00%
Profit: 12.00%
Annual Escalation of 4%
* Contract rate include labor, overhead and profit. All rates are negotiated rates and are not subject to change or adjustment during FY 08 to FY 10.

DIRECT EXPENSES

DESCRIPTON	UNIT	COST
Mileage	MILE	$ Current GSA Travel Rate/Mi.
Car Rental	DAY	$ 100.00
Lodging (in state)	Day/Person	$ 85.00
Meals	DAY/PERSON	$ 36.00
Air Travel	ROUND TRIP/PERSON	$ Coach Rate
Overnight Carrier (11"x 17"Box)	EA	$40.00
GPS Equipment	HR	$50.00
Copies (8 ½ x 11)	EA	$0.10
Color Copies (8 ½ x 11)	EA	$0.50
Copies (11 x 17)	EA	$1.20
Color Copies (11 x 17)	EA	$2.00/ea
Mylar (11 x 17) Plots	EA	$2.00
Color Mylar (11 x 17) Plots	EA	$4.25
Bond Plots	SF	$1.00
Color Bond Plots	SF	$2.50
Mylar Plots	SF	$2.50
Color Mylar Plots	SF	$5.00
Photo Quality Color Plots	SF	$6.00

Profit not allowed on direct expenses. No documentation required for lump sum amounts. Invoicing by percent complete includes combination of direct labor and direct expenses.

EXHIBIT "E"
WORK AUTHORIZATION

EXHIBIT "E"

HIDALGO COUNTY
Professional Engineering Services
Agreement # _____
Work Authorization Form

WORK AUTHORIZATION NO._____

THIS WORK AUTHORIZATION is made pursuant to the terms and conditions of Article 7 of the **Agreement** made by and between the **HIDALGO COUNTY**, acting herein by and through the **Commissioner's Court**, hereinafter called the "**Owner**", and **TEDSI Infrastructure Group**, professional engineers of Mission, Texas, hereinafter called the "**Engineer**".

PART 1.Scope of Work. The purpose of this Work Authorization is to provide services for Mile 2W from Mile 12 North to 0.44 north of US-83 as indicated below:

The scope of services to be provided by the **Owner** is identified in **ATTACHMENT "A"** –***Scope of Services to be Provided by the Owner*** attached hereto.

The scope of services to be provided by the **Engineer** is identified in **ATTACHMENT "B"** –***Scope of Services to be Provided by the Engineer*** attached hereto.

PART 2. Estimated Cost. The Lump Sum cost for services under this Work Authorization is $_____. This amount is based upon the costs outlined in the ***Estimated Cost Proposal*** attached hereto as **ATTACHMENT "D"**.

PART 3. Payment. Compensation and payment to the **Engineer** for the services established under this Work Authorization shall be made in accordance with Articles 5, 6, and 7 of the **Agreement**.

PART 4. Funding. This Work Authorization No. 1 shall be funded through funding source:
Account No. _-_ _ _ _-_ _ _-_ _-_ _ _ _-_ _ _ _-_-_ _ _
Requisition Number _____ (MUST BE INCLUDED AFTER CC APPROVAL)

PART 5. Period of Service. This Work Authorization shall become effective on the date of final acceptance of the parties hereto, and terminate upon completion of scopes of the work authorization.

PART 6. Responsibilities and Obligations. This Work Authorization does not waive the parties' responsibilities and obligations provided under the **Agreement**.

PART 7. Acceptance and Acknowledgement.
Acknowledgement and confirmation by Hidalgo County Precinct No. 1.
Commissioner Sylvia Handy as to content and detail of this Work Authorization No. # 1.

HIDALGO COUNTY
COMMISSIONER PRECINCT NO. 1:

BY:_____

PART 8. Acceptance and Approval

This Work Authorization is hereby accepted, approved by Hidalgo County Commissioners' Court on _____ as indicated below and effective as of _____ day of _____, 2008.

THE ENGINEER:
TEDSI INFRASTRUCTURE GROUP

_____
By: Jesse Salinas, Chief Executive Officer

THE OWNER:
HIDALGO COUNTY

_____
By: Juan D. Salinas, III, County Judge

ATTEST:

_____
By: Arturo Guajardo Jr., County Clerk

LIST OF ATTACHMENTS

ATTACHMENT "A"	-	Services to be Provided by the Owner
ATTACHMENT "B"	-	Services to be Provided by the Engineer
ATTACHMENT "C"	-	Work Schedule
ATTACHMENT "D"	-	Estimated Cost Proposal

EXHIBIT "F"
SUPPLEMENTAL AGREEMENT

EXHIBIT "F"

Professional Engineering Services
Agreement # _____
Supplemental Agreement Form

WORK AUTHORIZATION NO. __
SUPPLEMENTAL AGREEMENT NO. ___

THIS **SUPPLEMENTAL AGREEMENT** is made pursuant to the terms and conditions of Article 8 of the **Agreement** made by and between **HIDALGO COUNTY**, acting herein by and through the **Commissioner's Court**, hereinafter called the "**Owner**", and **TEDSI INFRASTRUCTURE GROUP**, professional engineers of Mission, Texas, hereinafter called the "**Engineer**".

PART 1.Scope of Work. The purpose of this Work Authorization is to provide services for Mile 2W from Mile 12 North to 0.44 north of US-83 as indicated below:

The scope of services to be provided by the **Owner** is identified in **ATTACHMENT "A"** –***Scope of Services to be Provided by the Owner*** attached hereto.

The scope of services to be provided by the **Engineer** is identified in **ATTACHMENT "B"** –***Scope of Services to be Provided by the Engineer*** attached hereto.

PART 2. Estimated Cost. The Lump Sum cost for services under this Supplemental Agreement is $_____. This amount is based upon the costs outlined in the ***Estimated Cost Proposal*** attached hereto as **ATTACHMENT "D"**.

PART 3. Payment. Compensation and payment to the **Engineer** for the services established under this Work Authorization shall be made in accordance with Articles 5, 6, and 7 of the **Agreement**.

PART 4. Funding. This Work Authorization No. 1 shall be funded through funding source:
Account No. _-_ _ _ _-_ _ _-_ _-_ _ _-_ _ _-_-_ _ _
Requisition Number _____ (MUST BE INCLUDED AFTER CC APPROVAL)

PART 5. Period of Service. This Work Authorization shall become effective on the date of final acceptance of the parties hereto, and terminate upon completion of scopes of the work authorization.

PART 6. Responsibilities and Obligations. This Work Authorization does not waive the parties' responsibilities and obligations provided under the **Agreement**.

PART 7. Acceptance and Acknowledgement.
Acknowledgement and confirmation by Hidalgo County Precinct No. 1 .
Commissioner Sylvia Handy as to content and detail of this Work Authorization No. # 1 .

HIDALGO COUNTY
COMMISSIONER PRECINCT NO. 1:

BY:_____

PART 8. Acceptance and Approval

This Work Authorization is hereby accepted, approved by Hidalgo County Commissioners' Court on _____ as indicated below and effective as of _____ day of _____, 2008.

THE ENGINEER:
TEDSI INFRASTRUCTURE GROUP

_____
By: Jesse Salinas, Chief Executive Officer

THE OWNER:
HIDALGO COUNTY

_____
By: Juan D. Salinas, III, County Judge

ATTEST:

_____
By: Arturo Guajardo Jr., County Clerk

LIST OF ATTACHMENTS

ATTACHMENT "A"	-	Services to be Provided by the Owner
ATTACHMENT "B"	-	Services to be Provided by the Engineer
ATTACHMENT "C"	-	Work Schedule
ATTACHMENT "D"	-	Estimated Cost Proposal

EXHIBIT "G"
CERTIFICATE OF INSURANCE

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 09/11/2008

PRODUCER 713-463-4550 FAX 713-463-4590
Bell Insurance Group
4544 Post Oak Place, Suite 320
Houston, TX 77027
Sherry Henderson

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 TEDSI Infrastructure Group, Inc.
10260 Westheimer
Suite 460
Houston, TX 77042

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: American Cas. Co. of Reading PA	20427
INSURER B: National Fire Insurance	20478
INSURER C: Continental Casualty Company	20443
INSURER D: Transportation Insurance Company	20494
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.

LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE X OCCUR X Contractual Liab. GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC	1075066054	09/11/2008	09/11/2009	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 300,000 $ 10,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
B		AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS	2097261054	09/11/2008	09/11/2009	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
		GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EA ACC AGG	$ $ $
C		EXCESS/UMBRELLA LIABILITY X OCCUR CLAIMS MADE DEDUCTIBLE X RETENTION $ 10,000	2090503299	09/11/2008	09/11/2009	EACH OCCURRENCE AGGREGATE	$ 2,000,000 $ 2,000,000 $ $ $
D		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	WC268980107	09/11/2008	09/11/2009	X WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000
C		OTHER Professional Liability	AEH113771047	09/11/2008	09/11/2009	Each claim Aggregate	$2,000,000 $2,000,000

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

County of Hidalgo is named as additional insured with respects to general liability and automobile policies, but only the specific risk and liabiities assumed under written contract with the named insured and subject to policy conditions. A blanket Additional Insured endorsement is attached to the automobile liability and general liability policies (SB-146968-A).

CERTIFICATE HOLDER

County of Hidalgo
Attn: Ms. Martha L. Salazar
100 E. Cano
5th Floor Adm. BLdg.
Edinburg, TX 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 MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Byron Johnson/SHERRY

©ACORD CORPORATION 1988

Texas Department of Transportation

PO BOX 1717 • PHARR TEXAS 78577-1717 • (956) 702-6100

September 11, 2008

PROJECT: Mile 2 W.
COUNTY: HIDALGO
DISTRICT: PHARR

Hidalgo County Department of Budget & Management-Budget Division
100 E. Cano, 2nd Floor, Administrative Building
Edinburg, TX 78539
ATTN: Mr. Sergio Cruz

Dear Mr. Cruz:

We have reviewed the scope and fees for the aforementioned project. We concur with the scope and fees. We recommend endorsement of contract.

If you have any questions or if we may be of any assistance, please call Juan P. Terrazas at 702-6298.

Sincerely,

Hector P. Gonzalez, P.E.
Pharr Area Engineer

EXHIBIT "E"

HIDALGO COUNTY
Professional Engineering Services
Agreement # C-08-226-09-30
Work Authorization Form

WORK AUTHORIZATION NO. 1

THIS WORK AUTHORIZATION is made pursuant to the terms and conditions of Article 7 of the **Agreement** made by and between the **HIDALGO COUNTY**, acting herein by and through the **Commissioner's Court**, hereinafter called the "**Owner**", and **TEDSI Infrastructure Group, Inc.**, professional engineers of Mission, Texas, hereinafter called the "**Engineer**".

PART 1.Scope of Work. The purpose of this Work Authorization is to provide services for Mile 2W from Mile 12 North to 0.44 north of US-83 as indicated below:

The scope of services to be provided by the **Owner** is identified in **ATTACHMENT "A"** –***Scope of Services to be Provided by the Owner*** attached hereto.

The scope of services to be provided by the **Engineer** is identified in **ATTACHMENT "B"** –***Scope of Services to be Provided by the Engineer*** attached hereto.

PART 2. Estimated Cost. The Lump Sum cost for services under this Work Authorization is **$604,859.71.** This amount is based upon the costs outlined in the ***Estimated Cost Proposal*** attached hereto as **ATTACHMENT "D"**.

PART 3. Payment. Compensation and payment to the **Engineer** for the services established under this Work Authorization shall be made in accordance with Articles 5, 6, and 7 of the **Agreement**.

PART 4. Funding. This Work Authorization No. 1 shall be funded through funding source:
Account No. 8-1315-431-00-121-0390-731
Requisition Number _____ (MUST BE INCLUDED AFTER CC APPROVAL)

PART 5. Period of Service. This Work Authorization shall become effective on the date of final acceptance of the parties hereto, and terminate upon completion of scopes of the work authorization.

PART 6. Responsibilities and Obligations. This Work Authorization does not waive the parties' responsibilities and obligations provided under the **Agreement**.

PART 7. Acceptance and Acknowledgement.
Acknowledgement and confirmation by Hidalgo County Precinct No. 1.
Commissioner Sylvia Handy as to content and detail of this Work Authorization No. # 1.

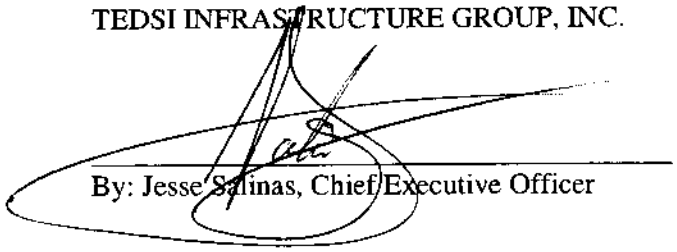
HIDALGO COUNTY
COMMISSIONER PRECINCT NO. 1:

BY: _____

PART 8. Acceptance and Approval

This Work Authorization is hereby accepted, approved by Hidalgo County Commissioners' Court on as indicated below and effective as of _____ day of _____, 2008.

THE ENGINEER:
TEDSI INFRASTRUCTURE GROUP, INC.



By: Jesse Salinas, Chief Executive Officer

THE OWNER:
HIDALGO COUNTY

By: Juan D. Salinas, III, County Judge

ATTEST:

By: Arturo Guajardo Jr., County Clerk

LIST OF ATTACHMENTS

ATTACHMENT "A"	-	Services to be Provided by the Owner
ATTACHMENT "B"	-	Services to be Provided by the Engineer
ATTACHMENT "C"	-	Work Schedule
ATTACHMENT "D"	-	Estimated Cost Proposal

WORK AUTHORIZATION NO. 1
MILE 2 WEST ROAD – PHASE II
Mile 12 North to 0.44 miles north of US-83

ATTACHMENT "A"
Services to be Provided by the Owner

The following provides an outline of the services to be provided by the **Owner** in the development of the **Work Authorizations**.

The **Owner** will provide to the **Engineer** the following:

1) Prepare and execute a Purchase Order with Hidalgo County Purchasing Department
2) Authorization to the Engineer to begin work.
3) Payment for work performed by the engineer.
4) Assistance to the Engineer, as necessary, to obtain required data and information from other local, regional, and state agencies that the Engineer cannot easily obtain.
5) Secure required Environmental permits from regulatory agencies
6) Acquire additional Right of Way identified by the Engineer
7) Provide any available relevant data that may on file concerning the Project.
8) Provide timely review and decisions in response to the Engineers request for information and/or submittals and deliverables.
9) Attend and participate in progress meetings as required and as coordinated and conducted by the Engineer.
10) Advertise and award, as assisted and recommended by the Engineer, construction contracts for the PS&E developed by the Engineer.
11) Attend pre-bid and pre-construction conferences coordinated and conducted by the Engineer.
12) Review and approve monthly and final estimates, developed by the Engineer, for payment to the Contractor. Compensate and pay the Contractor for work performed as identified in the approved monthly and final estimates.
13) Provide assistance to Engineer where necessary and possible with Owner information/resources to ensure project is completed within timely/efficient basis.
14) TxDOT to provide the Owner flexible pavement design for proposed pavement.

WORK AUTHORIZATION NO. 1
MILE 2 WEST ROAD – PHASE II
Mile 12 North to Mile 7 ½ North

ATTACHMENT "B"
Scope of Services to be Provided by the Engineer

CSJ:	0921-02-170
Highway:	Mile 2 West Road
County:	Hidalgo
Limits:	From Mile 12 North Road, to 0.44 miles north of US-83
Project Length:	4.75 miles
Area Office:	Pharr Area Office

Project Description
Reconstruct and Widen Roadway

Existing Conditions
The existing 20-foot paved two-lane roadway

Proposed Improvements
Construct 40-foot paved rural roadway consisting of two 12-foot travel lanes and two 8-foot shoulders.

GENERAL MANAGEMENT/COORDINATION

1) The Engineer shall design, develop and prepare all documents in English units.
2) The Engineer shall develop/submit a work schedule with milestone activities and/or deliverables identified.
3) The Engineer shall utilize Microstation computer graphics system. Roadway design for the route study will be developed in GEOPAK.
4) The Engineer shall be required to meet with designated County's representatives, utility companies, adjacent and affected landowners as required for coordination during the development of the project.
5) The Engineer shall be required to prepare the minutes for any meeting as required for documentation purpose.
6) The Engineer shall perform quality control and assurance (QC/QA) on all deliverables associated with this project.
7) The Project Manager will continually review the quality, progress and cost of the various tasks assigned to all firms within the team. Quality review will include technical requirements.

FIELD SURVEYING

1) Work shall assure compliance and adherence to all rules, regulations and policies as set forth by the Texas Board of Professional Land Surveyors.
2) The Engineer shall provide all traffic control, labor and equipment for the Traffic Control Plan (TCP) while performing services under this work authorization. The Engineer's Surveyor shall comply with the regulations of the most recent edition of the "Texas Manual on Uniform Traffic Control Devices".
3) Establish Horizontal and Vertical Control Benchmarks by setting permanent benchmarks with an Aluminum disk on a 5/8" iron rod set in concrete, every 1000' throughout the limits of the project. Establish elevations on set points within the specifications of the TSPS Category 8. If applicable, NGS first order benchmarks shall be incorporated into the level loops utilizing the NAVD88 Datum elevations. Signed and Sealed, RPLS, control data sheets shall be created for the newly establish BMs and included in the deliverables.
4) Stake existing centerline
   a) Set 2' #5 iron rods at every 1000 ft, at all angle points, PC's, PT's and all intersecting roadways. Center points to be set are every 1000 feet.
   b) Reference all angle points, PC's, PT's, and at 1000 foot interval stations with iron pins on the right of way line (on both sides).
   c) Stationing shall correspond with the design centerline. Stationing shall be painted at 500-foot stations on the pavement using traffic paint.

5) Obtain cross sections every 100 ft at whole stations. Cross sections to extend 10 ft outside of proposed right of way.
6) Obtain driveway cross sections. Cross sections to extend 10 ft outside of proposed right of way.
7) Update Inventory public access, commercial, and private driveways by type (dirt, caliche, gravel, concrete or paved).
8) Side Drains
   a) Obtain approximate roadway centerline station.
   b) Obtain size, length, description of structure, and conditions.
   c) Obtain F.L. elevations at both ends and offsets to driveway or turnout centerline.
   d) Label descriptions (size and length) on each side drain.
9) Culverts:
   a) Obtain size of drainage structure, type, skewed angle, and material. Label and describe each structures (for example if it's an irrigation or drainage culvert) size and length.
   b) Locate and obtain inlet and outlet flow lines elevations at structures, top of headwall, aprons, edge of pavement, and center line.
   c) Obtain profile and cross sections of upstream and downstream ravines on man-made channels leading from and to the existing or proposed structure. These profiles and cross sections shall extend from inlet and outlet flow lines to distance of 500 ft. beyond the right of way or as directed by the Engineer.
   d) Determine type of wingwall (i.e. flared wingwall, parallel, etc…) and safety end treatments (pipe runners, safety end treatments, barrier rail, etc…) according to TxDOT standards. For barrier rail include type of end treatments, location, type, length, and height.
   e) Obtain pictures of culverts barrels and outlet and inlet view to right of way line.
10) Fence, Mailboxes, and Sign Inventory:
   a) Locate and obtain mailboxes inventory (type-identify as single, double or multiple) for all mailboxes within R.O.W. and at all intersection locations. Include photographs.
   b) Locate and obtain sign inventory (type) for all signs within R.O.W. and at all intersection locations Include pictures.
11) Miscellaneous
   a) This item requires the surveyor to pick up any items that may be an obstruction for the proposed construction or may require special attention during the development of construction plans (ex: oil and gas on proposed right of way, etc.)
   b) ASCII files shall be provided to the State. These files shall be retrieved from GPS/Data Collector and shall be compatible with Microstation.
   c) Field books, containing all information gathered in the field, this information shall be to the surveyor's best knowledge, accurate and complete.

UTILITY SURVEY

1) The Engineer shall meet with Utility providers periodically to coordinate the work efforts and resolve any utility related problems. The Engineer shall prepare the minutes for these meetings and forwarded to the County. The Engineer shall address the following issues and any other items deemed necessary during the Utility Coordination meetings:
   a) Activities completed since last meeting
   b) Problems encountered.
   c) Late activities.
   d) Activities required by the next progress meeting.
   e) Solutions for unresolved and/or anticipated problems.
   f) Information or items required from other agencies/consultants.
2) If a reimbursable utility relocation exists, the Engineer shall request conveyance documents from the utility provider.
3) The Engineer shall notify the Utility companies in writing and request the following information in writing:
   a) Project letting date and request they relocate prior to letting.
   b) Develop their relocation plan according to Utility Accommodation Policy Manual.
   c) Forward their relocation plan to the Engineer.
   d) Request in writing when relocation of utilities will be complete.
   e) Upon immediate completion of relocation, request they forward as-built plans to the County.
4) The Engineer shall develop the typical sections, alignment, and preliminary cross sections and shall forward these to the respective utility company.
5) The Engineer shall update all files and plans based on the utility company responses.

6) The Engineer shall identify all utility conflicts on the plans and prepare layouts and profiles of existing utility crossings showing conflicts of utilities with proposed improvements. The Engineer shall forward these layouts to the County and the utility companies. During design process, the Engineer shall field verify all visible utility conflicts.
7) The Engineer shall verify the proposed relocation plan submitted by the Utility companies to assure their design is according to Utility Accommodation Policy Manual. Upon the Engineer's review and concurrence with the proposed relocation plan, they shall forward their recommendation for approval to the State.
8) The Engineer shall provide one-time staking of proposed right of way and drainage easement.
9) Contact "One Call" to request marking of underground utilities
10) Request existing utility information from local utility companies
11) The Engineer will perform any surveying necessary to survey in located, "Flagged", underground utilities and visible overhead utilities.
12) The Engineer will obtain measure downs on utilities as follows
    a) Top of key on gas line values
    b) Top of key on water line values
    c) Flowline, size of tie-ins and direction of flow for sanitary sewer manholes
    d) Flowline, size pipe for irrigation systems
    e) Flowline and size of system for inverted siphons.
13) Subsurface Utility Engineering is not included in the scope of work.

PLAN, SPECIFICATIONS AND ESTIMATE SERVICES

1) The Engineer shall prepare and submit work under this task in accordance to the PS&E Preparation Manual. The location of project should depict the entire project with beginning and ending (Station Numbers/Reference Markers) for each noted CSJ. Mapping landmarks (side streets, creeks, etc.) along with North Arrow and a scale should be shown to help relate the physical location of the project.
2) The Engineer shall use the Design Speed, the Funding Category, Average Daily Traffic, ADT, Roadway Classification, Location Type, and the appropriate Design Criteria to develop the typical sections as set forth in the Roadway Design Manual, PS&E Preparation Manual and other deemed necessary State approved manuals to prepare and submit the work under this task. The existing typical section should be shown with current roadway (pavement, right of way, etc.) characteristics. The proposed typical sections should be shown below the existing typical section with all related pertinent (pavement, right of way, etc.) information for the proposed roadway construction.
3) Pavement Design to be the same as recently completed adjacent northern section.
4) For Roadway, Bridge and Traffic quantities, the Engineer shall prepare and submit work under this task in accordance to the PS&E Preparation Manual and other deemed necessary State approved manuals. All summaries shall be consolidated per CSJ, City or County participation, etc. Any quantities shown "For Contractor Information Only" should be shown as such.

TRAFFIC CONTROL PLANS (TCP)

1) The Engineer will develop a conceptual traffic control plan (TCP), roll plot, and narrative. These information will be submitted to the County and TxDOT for review. The Engineer shall make a presentation to the District Traffic Control Safety Review Committee to obtain approval of the TCP prior to development of plan sheets. Modifications requested by TxDOT or County after approval will be consider additional work and be added by supplemental agreement.
2) The Engineer shall notify the State if they plan on requesting a speed reduction at the work zones. The Engineer shall prepare the request form using the latest approved Strip Map within the project limits in conjunction with the Traffic Standards for this request. If the project limits is within the city limits, the request shall be coordinated with the State and the local municipality at the early design process.
3) The Engineer shall provide the State with a hardcopy and accompanying electronic file of a schedule and Critical Path Method for project duration for each phase of construction using SureTrack software
4) The Engineer shall describe the type of work to be performed for each phase of sequence of construction and any special instructions (ex: storm sewer, culverts, bridges, railing, illumination, signals, retaining walls, signing, paving surface sequencing or concrete placement, ROW restrictions, utilities, etc.) that the contractor should be made aware to include limits of construction, obliteration, and shifting or detouring of traffic prior to the proceeding phase.
5) The Engineer shall include the work limits, the location of channelizing devices, positive barrier, location & direction of traffic, work area, stations, pavement markings, and other information deemed necessary for each phase of sequence of construction.

6) If Engineer determines that a standard is not applicable to address the entire project, then the Engineer shall prepare layouts for each respective phase of sequence of construction to illustrate any necessary additional construction details not covered by the Standards to address work limits for each sequence in stations, channelizing devices, barricades, positive barrier, tapers, buffer zones, TCP signage, signs, work zone pavement markings, work area, location & direction of traffic, locations for pedestrian crossings, and other information deemed necessary for each phase of sequence of construction. The Engineer shall develop the layouts by referring to the TxDOT standards, latest version of the TxMUTCD for non-TCP signage that may be needed as part of the TCP signage for intersections. The layouts shall address construction of detours, access to business, homes, side streets, and driveways, and reroute of traffic to other roads.
7) The Engineer will address drainage issues that are a result of changes in horizontal and vertical profiles by specifying the location and size of the temporary drainage structures.
8) The Engineer shall prepare the plan and profile sheets and cross sections for all detours.
9) The Engineer will develop TCP plans as double stacked, 1" = 100'. TCP plans will be developed for a two phase approach to traffic control.

ROADWAY DETAILS

1) The alignment sheet(s) include the following for complex projects and/or where it is not desirable to show the following information on the plan and profiles sheet(s): include the project limits for the entire project, label curve date bearings/coordinates for each alignment, computer generated data may be graphically place on the sheet(s) and if applicable the State Plane Coordinates System should be noted on this sheet(s).
2) The Benchmark Data sheet shall be developed in tabulated form and accompanied by surveyor's sketch showing the Station Number from respective alignment, Offset, and Elevation and Physical Description.
3) The Engineer shall design the plan (horizontal) and profile (vertical) including roadway transitions based on the controlling criteria previously defined and as set forth in the previously listed. The Engineer shall develop the alignment for the project in GEOPAK format. Plan and Profile sheets will be developed at 1" =100'.
4) The Engineer shall identify and notify the State all locations not meeting the set criteria. In addition, the Engineer shall provide alternatives and a recommendation to address these design issues.
5) The Engineer shall develop and verify all cross sections in preparation of the proposed traffic control plan, drainage, utilities, right-of-way, and access onto adjacent properties. In addition, the cross sections shall be drained to maintain the natural watershed unless otherwise directed by the State.
6) The Engineer shall determine all cut and fill quantities.
7) The Engineer shall design all intersections to accommodate the design vehicles turning radius. The ADA-wheelchair ramps shall be designed in accordance to the TDLR compliance and the latest TxDOT's Pedestrian Ramp Standards in conjunction with the requirement of the latest version of the TxMUTCD as it relates location of the traffic signals pedestrian heads, signage, and pavement markings.
8) The Engineer shall design all longitudinal barriers (railing and guardrail), raised median, fencing, bus bays, parking areas, mailboxes, and shoulder texturing in accordance to the criteria set forth in the roadway design manual and standards. Miscellaneous Details Sheet(s) may be developed to illustrate any necessary additional construction details not covered by the Standards.

DRAINAGE DETAILS

1) The Engineer shall use the Roadway Design Manual, Hydraulic Manual, PS&E Preparation Manual, and other deemed necessary State approved manuals to prepare and submit the work under this section
2) The Engineer shall use the above-listed manuals to prepare and submit the work under this task. The hydraulic calculations shall have the following based on previously County approved drainage study:
   a) Description-Material, Size, & Entrance (headwall)
   b) Design discharges, Flow per barrel, barrel slope, and Manning n-value
   c) Inlet flow line, allowable headwater, roadway (shoulder) elevation, calculated inlet headwater elevation
   d) Outlet flow line, Tailwater for design frequency/frequencies, type of flow, critical depth, and calculated friction losses, calculated outlet water elevation
   e) Controlling headwater elevation, outlet velocity, and recommended countermeasures to maintain an acceptable outlet velocity.
3) The Engineer shall show the location of culverts and ditches on the roadway plan view.
4) The Engineer shall use TxDOT standards preferably at all times. Modification to inlets, pipe connection, bedding details, and other elements pertaining to drainage details shall be included under this work task. The BCS sheet must

be submitted for all box culverts within the project limits. This sheet must be signed and sealed by the Engineer.

TRAFFIC ITEMS

The Engineer shall inventory all signage through the project limits including those limits that are considered incidental to the project limits. All intersections and roadway signage shall be designed and spaced according to the requirements set forth in TxDOT's Sign Crew Field Book and standards for work under this task. Any signs no longer used by the State shall be taken out and replace by an accepted TxMUTCD signs. The Engineer shall design all signage according to the latest version of the TxMUTCD, Supplemental to TxMUTCD, and TxDOT's Signs and Markings Manual. Design of flashing beacons or traffic signals not specifically indicated in Attachment D is not included. Additional locations will be added by supplemental agreement.

STORM WATER POLLUTION PREVENTION PLANS (SW3P)

The Engineer shall submit and prepare separate SW3P sheets when soil is to be disturbed as part of the erosion control measures during each phase of the sequence of construction. The general plan for the SW3P on this project is to enclose the area under construction including existing and proposed inlets with erosion control devices and provide a stabilized construction entrances at points where traffic will be entering or leaving the construction site. The Engineer shall also design structures or features to control erosion and suspended sediments for post-construction. A standardized General Note will serve as the SW3P where there is to be no soil disturbance (seal coats, overlays, etc.) in the project. The Engineer shall refer to the Hydraulic Design Manual, TxDOT standards, TxDOT Storm Water Management Guidelines, the Environmental Manual, and District Environmental Staff for guidance on work under this task. Erosion Control measures shall conform to one or more of the approved TxDOT / Texas Natural Resources Conservation Commission (TNRCC) / US Environmental Protection Agency (EPA) / US Army Corps of Engineers (USACE) Best Management Practices. The appropriate Best Management Practice(s) shall be listed on the Environmental Issues, Permits, and Commitments (EIPC) sheet to be included as a Plan Sheet and shall be followed by the Engineer and Contractor to completion. Plan sheets will be develop separate from TCP as 1"=100', double stacked.

CROSS SECTIONS

For the Final Submission, the Engineer shall furnish the final cross - section plots, on 36" wide x 120" long roll plots, showing both the original terrain and the design cross-sections, showing the roadway template, at a vertical scale of 1"=10' and a horizontal scale of 1"=10'. The design cross - sections shall indicate the slope rate on the side slopes. The Engineer shall use GeoPak software and provide the state with the applicable files. Cross sections are to show proposed pavement thickness, top of subgrade, finish grade of side bar ditches with slopes and location of right of way. Indicating other features within the cross sections is not part of the scope of work, ie. Underground utilities, storm sewer lines, top soil, etc.

DELIVERABLES

PS&E

The Engineer shall deliver to the County and TxDOT Project Manager one copies and one CD's containing PDF's of the plan sheets provided, respective of the 1st, 2nd, and 3rd submittal. For the final submittal, the Engineer shall submit one set in Mylar accompanied by a paper copy and two CD's containing PDF's of the final plans.

1st Submittal -

1) Design Summary Report
2) Title Sheet
3) Typical Sections (existing and proposed)
4) Traffic Control Plan
5) Utility Layout (conflicts identified)
6) Plan & Profile
   a) Vertical Alignment (existing and proposed)
   b) Horizontal Alignment (existing and proposed)
7) Miscellaneous Details
8) Corresponding Quantity Summary Sheets
9) Corresponding Standard Detail Sheets for all Items of Work in this submittal

10) Preliminary Estimate
11) Design Exceptions/Waivers required
12) Newly created Special Provisions/Specifications to be used (Form 1814)
13) R.O.W. (issues identified)
14) 2 Rolls of Cross Sections

2nd Submittal -
1) Index Sheet
2) Hydrologic Computation Sheets
3) Hydraulic Data Sheets
4) Drainage Area Maps
5) Drainage Plan & Profile
6) Drainage Structure Details
7) Storm Sewer Details
8) Storm Water Pollution Prevention Plan
9) Miscellaneous Details
10) Corresponding Quantity Summary Sheets
11) Corresponding Standard Detail Sheets for all Items of Work in this submittal
12) Updated Estimate
13) Utility Adjustment/Relocation Details
14) R.O.W. Acquisition Detail
15) 2 Rolls of Cross Sections

3rd Submittal -
1) Final Index of Sheets
2) Pavement Marking Layout/Details
3) Miscellaneous Details
4) Corresponding Quantity Summary Sheets
5) Corresponding Standard Detail Sheets for all Items of Work in this submittal
6) Final Estimate
7) General Notes
8) Certifications
9) Form 1002
10) Cross Sections

4th Submittal - PS&E Package 100% complete.

SURVEY DELIVERABLES

The Engineer shall submit, after completion of PS&E, all original field books containing all survey information requested for this work authorization. The field book shall contain all information gathered in the field. The survey information provided shall be to the surveyor's best knowledge, accurate, and complete.

Electronic files (*.txt) containing survey information with proper identification and with the following data format x, y, and z NAD-83 coordinate system. The x-coordinate corresponding to the east bearing, the y-coordinate corresponding to the north bearing, and the z-coordinate corresponding to the vertical elevation.

Electronic 2d and 3d Microstation files (*.dgn) containing survey information with proper identification and with the following data format x, y, and z NAD-83 coordinate system.

	Months						
	1	2	3	4	5	6	7
Notice To Proceed							
SURVEY							
Horiz. & Vert. Control Benchmarks							
PS&E Production							
TxDOT Reviews @ 30%, 60% & 90%							

General Management/Coordination

Description	Sr. Project Manager	Senior Engineer	Project Engineer	Sr. Eng. Tech	Eng. Tech	Admin	
Project Meetings	48		24			12	84
Preliminary Estimate	2	4	8				14
Project Administration	12					12	24
Total	62	4	32	0	0	24	122

Topographic Survey

Description	Sr. Project Manager	Senior Engineer	Project Engineer	Sr. Eng. Tech	Eng. Tech	Admin	
QA/QC Survey		12		24			36
Subconsultant Management	24					24	48
Total	24	12	0	24	0	24	84

Utility Coordination

Description	Sr. Project Manager	Senior Engineer	Project Engineer	Sr. Eng. Tech	Eng. Tech	Admin	
Utility coordination/meeting	32				40	24	96
Prepare and send utility submittals	1				24	24	49
Determine/resolve utility conflicts	4		24		40		68
Maintain communication documentation	1		16			10	27
QA/QC Survey		12		24			36
Total	38	12	40	24	104	58	276

General PS&E

Description	Sr. Project Manager	Senior Engineer	Project Engineer	Sr. Eng. Tech	Eng. Tech	Admin		Sheet Count
Title Sheet	1		4		8		13	1
Project Layout	1		4		16		21	4
Typ Sections	1	4	8		16		29	2
General Notes	1	4	8			4	17	
Estimate and Quantity	2		24		24	8	58	6
Miscellanous Forms	1	2				1	4	
Preparation of Submittals	5	10		28	28	10	81	
Review meetings	10		10			10	30	
Determine and Plot Standards	2	4			30		36	
QA/QC Submittals	40	60				12	112	
Summaries	2	4		20	32		58	40
Total	66	88	56	48	154	45	459	53

Traffic Control Plan	Sr. Project Manager	Senior Engineer	Project Engineer	Sr. Eng. Tech	Eng. Tech	Admin		Sheet Count
Phase Narrative	4	16				8	28	2
Typical Sections	4	8	16		16		44	2
Phase Layouts (Two Phase, Double Stacked, 1"=100')	16	40	60		100		216	26
Total	24	64	76	0	116	8	288	30

Roadway Details	Sr. Project Manager	Senior Engineer	Project Engineer	Sr. Eng. Tech	Eng. Tech	Admin		Sheet Count
Alignment Sheets	1	2			4		7	2
Benchmark Data Sheets		1			4		5	2
Plan and Profile (Roadway)(1"=100')	24	32	60	120	140		376	26
Intersection Details	4		24	32	60		120	8
Cross Sections (2 per STA, 12 per sheet)	1	12	32	40	80		165	42
Driveway Details	1		8		16		25	2
Misc. Details	1	4	12	24	32		73	4
Total	32	51	136	216	336	0	771	84

Drainage Details	Sr. Project Manager	Senior Engineer	Project Engineer	Sr. Eng. Tech	Eng. Tech	Admin		Sheet Count
Drainage Area Maps	4	12	20		40		76	4
Hydrology Calculations	4	12	20			4	40	2
Hydraulic Calculations	4	12	20			4	40	2
Culvert Layouts, Cross-sections and Detail Sheets	8	12	20	40	50		130	12
Misc. Details			4		12		16	2
Total	20	48	84	40	102	8	302	22

Traffic Items	Sr. Project Manager	Senior Engineer	Project Engineer	Sr. Eng. Tech	Eng. Tech	Admin		Sheet Count
Traffic Signal Warrant Study (Mile 2 West @ Mile 11 North)	1	4	4		10	2	21	
Four-Way Stop Warrant Study (Mile 2 West @ Mile 10 North)	1	4	4		10	4	23	
Existing Conditions - Mile 2 West @ Mile 11 North Rd	1	2	4		10	2	19	
Prop. Flashing Beacon Layouts (Modify Exist) - Mile 2 West @ Mile 11 North Rd	1	4	4		10	1	20	2
Existing Conditions - Mile 2 West @ Mile 10 North Rd	1	2	4		10	2	19	1
Prop. Flashing Beacon Layouts - Mile 2 West @ Mile 10 North Rd	1	4	4		10	1	20	2
Existing Conditions - Mile 2 West @ Mile 9 North Rd	1	2	4		10	2	19	1
Prop. Flashing Beacon Layouts (Modify Exist) - Mile 2 West @ Mile 9 North Rd	1	4	4		10	1	20	2
Existing Conditions - Mile 2 West @ Mile 8 North Rd	1	2	4		10	2	19	1
Prop. Flashing Beacon Layouts - Mile 2 West @ Mile 8 North Rd	1	2	4		10	1	18	2
Electrical Service Data Sheet	0	4	4		4	0	12	2
Summary of Quanties for Signalization	1	4			4	1	10	1
Signing and Striping Plans	6	24	40		60		130	25
Summary of Quantities for Signs	1	4			15		20	4
Summary of Quantities for Striping	2	2			8		12	1
Intersection striping details	1	8			20		29	6
District Standard Detail Drawings	1	3	6		6		16	4
Total	22	79	90	0	217	19	427	55

Environmental & SW3P	Sr. Project Manager	Senior Engineer	Project Engineer	Sr. Eng. Tech	Eng. Tech	Admin		Sheet Count
SW3P Sheets (Two Phases, Double Stacked, 1"=100')	8	24	32		80	16	160	26
Epic Sheet	2		6		8		16	2
Total	10	24	38	0	88	16	176	28
Total Hours	298	382	554	352	1117	202	2905	272
	$ 183.19	$ 154.46	$ 137.55	$ 117.91	$ 103.37	$ 59.03		
	$ 54,590.62	$ 58,003.72	$ 76,202.70	$ 41,504.32	$ 115,464.29	$ 11,924.06	$ 358,689.71	

Project DirectCosts

Copies, Bond Plots, Mylar Plots & Mileage	$ 16,000.00

Sub-Total Basic Fee **$ 374,689.71**

Additional Services

Right of Way Mapping 35 parcels at $2750/parcels	35 Ea. X $2,750/Ea.	=	$96,250.00
Horiz. & Vert. Control Benchmarks	24 Ea. X $1,400.00/ Ea.	=	$33,600.00
Topographic Survey	25,080 Lf X $4.00/ Lf	=	$100,320.00
	Sub-Total Additional Services	=	**$230,170.00**
	Total Lump Sum Fee (Basic +Additional)	=	**$ 604,859.71**

AI-11434 **19.B.2.**

Pct. 1- Prof Engineering Svc-Leo L. Rodriguez, Jr. d/b/a Rodriguez Engineering-"Barrera Street" and "Mile 16 frm Mile 4 to FM 1015"

CC REGULAR

Date: 09/30/2008
Submitted By: Letty Saenz, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Prct. 1

Information

CAPTION

A. Requesting approval of a professional engineering services contract with LEO L. RODRIGUEZ, JR. d/b/a RODRIGUEZ ENGINEERING for "Design Construction of Barrera Street" for Hidalgo County Pct. 1. (ss selected after evaluation of S.O.Q. s from the POOL OF ENGINEERS and previously approved by C.C. on 08/12/08 for negotiation of the contract with LEO L. RODRIGUEZ, JR. d/b/a RODRIGUEZ ENGINEERING and approved by legal counsel to proceed with final execution of contract).
B. Requesting approval of a professional engineering services contract with LEO L. RODRIGUEZ, JR. d/b/a RODRIGUEZ ENGINEERING for "Design Construction and Paving Improvements of Mile 16 from Mile 4 to FM 1015" for Hidalgo County Pct. 1. (As selected after evaluation of S.O.Q. s from the POOL OF ENGINEERS and previously approved by C.C. on 09/16/08 for negotiation of the contract with LEO L. RODRIGUEZ, JR. d/b/a RODRIGUEZ ENGINEERING and approved by legal counsel to proceed with final execution of contract).

BACKGROUND

Contract No. C-08-332-09-30
Contract No. C-08-385-09-30

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1336-431-00-121-041-0-731
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

C.O, 2006-Pct. 1-Roads-Available Balance as of 9-26-08 $382,042.92.

FISCAL YEAR: 2008 **ACCT. #:** 8-1201-431-00-121-005-0-734
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Pct. 1 P/U Rd.-Subdivision Streets-Available Balance as of 9-26-08 $15,819.20.

Attachments

Link:
C-08-332-09-30-Prof Eng Agreement

Link:
C-08-385-09-30-Prof Eng Agrment

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 05:45 PM	APRV
2	Budget & Management	Veronica Lopez	09/26/2008 07:43 AM	APRV
3	Ivan Cantu	Ivan Cantu	09/26/2008 07:53 AM	APRV
4	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Letty Saenz Started On: 09/25/2008 05:15 PM

Final Approval Date: 09/26/2008

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES
C-08-332-09-30

THIS AGREEMENT is made, by and between **Hidalgo County,** acting herein by and through the **Commissioner's Court**, hereinafter called the "**Owner**", and **Leo L. Rodriguez, Jr.** d/b/a **Rodriguez Engineering**, Professional Engineers of McAllen, Texas, hereinafter called the "**Engineer**".

W I T N E S S E T H:

WHEREAS, the **Owner** desires to contract with the **Engineer** to provide Engineering Services for the, "**Design Construction of Barrera Street**" for **Hidalgo County Precinct No. 1**.

NOW, THEREFORE, the **Owner** and the **Engineer** in consideration of the mutual covenants and agreements herein contained do mutually agree as follows:

ARTICLE 1
Employment of Engineer

The **Owner** agrees to employ the **Engineer** and the **Engineer** agrees to perform on-site civil engineering plans as stated in the articles to follow, and for having rendered such services, the **Owner** agrees to pay the **Engineer** compensation as stated in the articles to follow.

ARTICLE 2
Character and Extent of Services

This Agreement will provide for the project with the following:

2.1. Scope of Work. The **Owner** will furnish items and provide those services for the development of and fulfillment of this Agreement, as identified in **EXHIBIT "A"** ***-Services to be Provided by the Owner***, attached hereto and made a part of this Agreement. The **Engineer** shall render professional engineering services for the development and fulfillment of

this Agreement as identified in **EXHIBIT "B"-*Services to be Provided by the Engineer***, attached hereto and made a part of this Agreement.

2.2 Classification of Services. For this Agreement, the professional services to be provided by the **Engineer**, are more particularly identified in **EXHIBIT "B"**, attached hereto.

ARTICLE 3
Period of Service

Upon execution of this Agreement, the **Engineer** shall proceed with the work outlined under Article 2 hereof.

3.1 Termination Date. This Agreement shall terminate at the close of business upon completion of this project (hereinafter referred to as the "**Termination Date**"), unless extended by written supplemental agreement, as provided in Article 8 hereof, duly executed by the **Engineer** and the **Owner** prior to the **Termination Date**, or otherwise terminated as provided in Article 3.4 herein and below. The **Owner** assumes no liability or obligation for payment to the **Engineer** for work performed or costs incurred by the **Engineer** prior to the date authorized by the **Owner** for the **Engineer** to begin work, during periods when work is suspended, or subsequent to the **Termination Date**.

3.2 Extension of the Termination Date. The **Engineer** shall notify the **Owner** in writing as soon as possible if it is determined, or reasonably anticipated, that the work under this Agreement cannot be completed before the **Termination Date**, and the **Owner** may, at the **Owner**'s sole discretion, extend the **Termination Date** by written supplemental agreement as provided in Article 7 hereof. The **Engineer** shall allow adequate time for review and approval by the **Owner** of the written notice and request by the **Engineer** to extend the **Termination Date**.

3.3 Suspension of Work. Should the **Owner** desire to suspend the work under this Agreement, but not terminate this Agreement, the Owner shall provide thirty (30) calendar days verbal notification to the **Engineer**, followed by written confirmation from the **Owner** to the **Engineer** to that effect. The thirty-day notice may be waived as agreed in writing by both the **Owner** and the **Engineer**. The work under this Agreement may be reinstated and resumed in full force and effect within sixty (60) days of receipt of written notice from the **Owner** to the

Engineer. The sixty-day notice may be waived as agreed in writing by both the **Owner** and the **Engineer**.

If the **Owner** suspends the work, the **Termination Date** as identified above is not affected, and this Agreement will terminate on the date specified, unless extended by written supplemental agreement, as provided in Article 7 hereof, duly executed by the **Engineer** and the **Owner** prior to the **Termination Date**.

3.4 Termination of Agreement. This Agreement may be terminated before the stated **Termination Date** identified in Article 3.1 herein by any of the following conditions:

(1) **Commitment of Current Revenues.** In the event that, during any term hereof, the **Owner** does not appropriate sufficient funds to meet to the obligations of this Agreement, the **Owner** may terminate this Agreement upon thirty (30) days written notice to the **Engineer**. The **Owner** agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of the **Owner** pursuant to the provisions of Tex. Loc. Govt. Code Ann. § 271.903 (Vernon Supp.1995).

(2) By mutual agreement and consent, in writing, of both the **Engineer** and the **Owner**.

(3) By the **Owner**, upon failure of the **Engineer** to fulfill the **Engineer**'s obligations set forth herein in a satisfactory manner as determined by the **Owner** and in sole opinion of the **Owner**, after the **Owner** provides written notice to the **Engineer** of such failure and the **Engineer** has not corrected such failure within (30) days of such written notice by the **Owner**.

(4) By the **Engineer**, upon failure of the **Owner** to fulfill the **Owner**'s obligations set forth herein, after the **Engineer** provides written notice to the **Owner** of such failure and the **Owner** has not corrected such failure within thirty (30) days of such written notice by the **Engineer**.

(5) By the **Owner** without cause upon thirty (30) days written notice to the **Engineer**.

(6) By satisfactory completion of all services and obligations described herein.

Should the **Owner** terminate this Agreement as herein provided, no fees other than fees due and payable at the time of termination shall thereafter be paid to the **Engineer** notwithstanding anything herein to the contrary. In determining the value of the work performed by the **Engineer** prior to termination, the **Owner** shall be the sole judge of the value of such work performed. Compensation for work at termination will be based on a percentage of the work completed at that time. Should the **Owner** terminate this Agreement under (5) of the paragraph above, the amount charged during the thirty (30) day notice period shall not exceed the amount charged during the preceding ninety (90) days.

If the termination of this Agreement is due to the failure of the **Engineer** to fulfill the **Engineer**'s obligations under this Agreement, the **Owner** may take over the Work Schedule, Exhibit "C" and prosecute the work to completion. In such case, the **Engineer** shall be liable to the **Owner** for any additional cost occasioned by the **Owner**.

If the **Engineer** defaults in the performance of this Agreement or if the **Owner** terminates this Agreement for fault on the part of the **Engineer**, the **Owner** will give consideration to payment of an amount in settlement to include: the actual costs incurred by the **Engineer** in performing the work to the date of default, the amount of work required which was satisfactorily completed to date of default, the value of the work which is usable to the **Owner**, the cost to the **Owner** of employing another consultant and/or firm to complete the work required and the time required to do so, and other factors which affect the value to the **Owner** of the work performed at the time of default. This Agreement shall not be considered as specifying the exclusive remedy for any default by the **Engineer**, but all remedies existing at law and in equity may be availed of by either party and shall be cumulative.

The termination of the Agreement and payment of an amount in settlement as prescribed above shall extinguish all rights, duties, and obligations of the **Owner** and the **Engineer** under this Agreement, except the obligations set forth in Articles 11, 13, 14.3 and 15 hereto.

ARTICLE 4
Progress and Coordination

The **Engineer** shall, from time to time during the progress of the work, confer with the **Owner**. The **Engineer** shall prepare and present such information as may be pertinent and necessary, or as may be requested by the **Owner**, in order to evaluate features of the **Engineer**'s services and work.

At the request of the **Owner** or the **Engineer**, conferences shall be provided at the **Engineer**'s office, the office of the **Owner**, or at other locations designated by the **Owner**. These conferences shall also include evaluation of the **Engineer**'s services and work when requested by the **Owner**.

All applicable study reports shall be submitted in preliminary form for approval by the **Owner** before the final report is issued. The **Owner**'s comments regarding the **Engineer**'s preliminary report will be addressed by the **Engineer** in the final report.

If funds by other agencies or entities are to be used for the development of the **Project** under this Agreement, the **Engineer**'s services and work will be subject to periodic review and approval by other agencies or entities, including those of the city, county, state, and/or federal agencies.

Should it be determined that the progress in the production of the **Engineer's** services and work does not satisfy the requirements of the Scope of Services as provided by the engineer, the **Owner** shall review the approved Scope of Services with the **Engineer** to determine the corrective action needed by either the **Owner** or the **Engineer**.

The **Engineer** shall promptly advise the **Owner** in writing of events which have a significant impact upon the progress of the **Engineer**'s services and work and the approved Scope of Services, including:

(1) problems, delays, adverse conditions which will materially affect the ability to attain contract objectives, prevent the meeting of time schedules and goals, this disclosure will be accompanied by a statement by the **Engineer** of recommended or immediate action taken, or contemplated, and any **Owner** or other agency or entity assistance needed to resolve the situation; and

(2) favorable developments or events which enable meeting the Scope of Services goals sooner than anticipated.

ARTICLE 5
Compensation and Fees

For and in consideration of the services to be rendered by the **Engineer**, the **Owner** shall compensate the **Engineer** as follows:

5.1 *Services.* For and in consideration of the ***Services*** to be rendered by the **Engineer**, as identified in Article 2 and more particularly identified in **EXHIBIT "B"**, attached hereto, the amount payable by the **Owner** to the **Engineer** for ***Services*** will be in the amount of **$15,000.00** subject to adjustment in accordance with Article 6.1 herein, will be provided in **EXHIBIT D1- *Fee Breakdown*** attached. Payments to the **Engineer** for ***Services*** shall be made by the **Owner,** upon presentation by the **Engineer** of the **Request for Payment**, in accordance with the terms and provisions of Article 6 herein.

ARTICLE 6
Method of Payment

6. 1 Request for Payment. Payments to the **Engineer** for services rendered will be made while work is in progress as executed through a lump sum fee assigned. The **Engineer** shall prepare and submit to the **Owner** monthly progress reports in sufficient detail to support the progress of the work and in support of a request for payment (hereinafter referred to as "**Request for Payment**"). The progress report shall indicate the percent completion of the work accomplished by the **Engineer** during the billing period and to the date of the **Request for Payment.** On or before noon of the first Monday of each month during the performance of the services, the **Engineer** shall submit to the **Owner** for approval a **Request for Payment.** Payment of the lump sum fee identified in the **Request for Payment** will be in proportion to the percent completion of the work tasks identified together with a detailed breakdown of the amount and the sum of all prior payments. The **Owner** shall review each such **Request for Payment** and may make such exceptions as the **Owner** reasonably deems necessary or appropriate under the circumstances then existing. About ten (10) working days after the Commissioners Court of the **Owner** meets approving such payment, the **Owner** shall make payment to the **Engineer** in the amount approved as aforesaid subject to Article 6.4 herein and below.

6.2 Final Payment. After final completion of the work and acceptance thereof by the **Owner**, the **Engineer** shall submit a final request for payment ("**Final Request for Payment**") which shall set forth all amounts due and remaining unpaid to the **Engineer** and upon approval thereof by the **Owner**, the **Owner** shall pay to the **Engineer** the amount due ("**Final Payment**") under such **Final Request for Payment** in accordance with the provisions of Article 6.1 hereof. The **Final Payment** shall not be made until the **Engineer** delivers to the **Owner** an affidavit that so far as the **Engineer** has knowledge or information any and all amounts due for materials and services over which the **Engineer** has control have been paid.

6.3 Qualification on Obligations to Pay. Any provision hereof to the contrary notwithstanding, the **Owner** shall not be obligated to make any payment (whether a payment under Article 6.1 hereof or **Final Payment**) to the **Engineer** hereunder if any one or more of the following conditions precedent exist:

(1) The **Engineer** is in default of any of its obligations hereunder or otherwise is in default under this Agreement or under any contract documents related to this Agreement;

(2) Any part of such payment is attributable to the **Engineer**'s services which are not performed in accordance with this Agreement; provided, however, such payment shall be made as to the part thereof attributable to the **Engineer**'s services which were performed in accordance with this Agreement;

(3) The **Engineer** has failed to make payments promptly to consultants or other third parties used for which the **Owner** has made payment to the **Engineer**;

(4) If the **Owner**, in good faith judgment, determines that the portion of the compensation then remaining unpaid will not be sufficient to complete the **Engineer**'s services in accordance with this Agreement, no additional payments will be due the **Engineer** hereunder unless and until the **Engineer**, at its sole cost, performs a sufficient portion of the **Engineer**'s services so that such portion of the compensation then remaining unpaid is determined by the **Owner** to be sufficient to so complete the **Engineer**'s services.

6.4 No partial payment made hereunder shall be or construed to be final acceptance or approval of that part of the **Engineer**'s services to which such partial payment related or relieves the **Engineer** of any of its obligations hereunder with respect thereto.

6.5 The **Engineer** shall promptly pay all bills for labor and material performed and furnished by others in connection with the performance of the **Engineer**'s services.

6.6 Waiver. The making of the **Final Payment** shall constitute a waiver of all claims by the **Owner** except those arising from (1) faulty or defective services of the **Engineer** appearing after completion of the **Project**, or (2) failure of the **Engineer**'s services to comply with the requirements of this Agreement. The acceptance of **Final Payment** shall constitute a waiver of all claims by the **Engineer** except those previously made in writing and identified by the **Engineer** as unsettled at the time of the **Final Request for Payment**.

ARTICLE 7
Supplemental Agreements

The terms of this Agreement may be amended by supplemental agreement if the **Owner** determines that (1) there is a need to extend the **Termination Date** identified in Article 3.1 hereof, (2) there has been a significant change in the scope, complexity or character of the services to be performed by the **Engineer**, and/or (3) for any other reason agreeable to the **Owner** and the **Engineer**.

If determined appropriate by the **Owner**, additional compensation to the **Engineer** for (1), (2) and/or (3) above shall be paid as a negotiated lump sum fee at the **Contract Rates** specified in **EXHIBIT "D1"**, attached hereto. The negotiated lump sum fee shall be incorporated into the **Supplemental Agreement**.

Any **Supplemental Agreement** must be executed by both the **Engineer** and the **Owner** prior to the **Termination Date** specified in Article 3 hereof.

It is distinctly understood and agreed that no claim by the **Engineer** for additional work, as identified in Article 8 hereof, or changes or revisions in work, as identified in Article 9 hereof, shall be made by the **Engineer** until full execution of the **Supplemental Agreement** and authorization to proceed is granted by the **Owner**. The **Owner** reserves the right to withhold payment to the **Engineer** pending verification of satisfactory work performed by the **Engineer**.

ARTICLE 8
Additional Work

If the **Engineer** is of the opinion that any work it has been directed to perform is beyond the scope of this Agreement and constitutes extra work, the **Engineer** shall promptly notify the **Owner** in writing. In the event the **Owner** finds that such work does constitute extra work, the **Owner** shall so advise the **Engineer** and a written supplemental agreement will be executed

between the **Owner** and the **Engineer** as provided herein. The **Engineer** shall not perform any proposed additional work or incur any additional costs prior to the execution by both the **Engineer** and the **Owner** of a supplemental agreement. Additional compensation from the Owner to the Engineer shall be paid as a negotiated lump sum fee at the **Contract Rates** specified in **EXHIBIT "D1"**, attached hereto. The negotiated lump sum fee shall be incorporated into the supplemental agreement as specified in Article 7 hereof. The **Owner** shall not be liable or under any obligation to compensate the **Engineer** for work performed or costs incurred by the **Engineer** relating to additional work not directly associated with the performance of the work authorized in this Agreement or as amended through supplemental agreement.

ARTICLE 9
Changes or Revisions in Work

If the **Owner** finds it necessary to request changes to the work, and the changes are within the applications of sound engineering principles, the **Engineer** shall make such revisions if requested and directed by the **Owner**.

9.1 Preliminary Work. The **Engineer** will make, without expense to the **Owner**, such revisions of any preliminary reports or drawings as may be required to meet the needs of the **Owner** and the applications of sound engineering principles.

ARTICLE 10
Ownership and Release of Documents

10.1 Ownership of Documents.

All documents furnished to the **Engineer** by the **Owner** shall be delivered to the **Owner** upon completion or termination of this Agreement. The **Engineer**, at the **Engineer**'s own expense, may retain copies of such documents or any other data under this Agreement.

ARTICLE 11
Records, Accounting, Inspection

The **Engineer** shall keep full and detailed records and accounts in a manner approved by the **Owner**. The **Engineer** shall afford the **Owner**'s authorized personnel and independent auditors, if any, full access to the work performed by the **Engineer** regarding the Work Schedule Exhibit "C" and to all of the **Engineer**'s books, records, correspondence, instructions,

drawings, receipts, vouchers and other documents relating to such work under this Agreement, and the **Engineer** shall preserve all such records for three (3) years after final payment. The **Engineer** shall deliver to the **Owner** upon completion of such work, a statement of the cost of such work detailed according to the accounting procedure and requirements of the **Owner**.

ARTICLE 12
Subcontracting and Assignment

The **Engineer** shall not assign, subcontract or transfer the **Engineer**'s interest in this Agreement without the prior written consent of the **Owner**. The **Engineer** shall bind every sub-consultant by written subcontract to observe all the terms of this Agreement to the extent that they may be applicable to each sub-consultant. No subcontract relieves the **Engineer** of any responsibilities under this Agreement.

The **Engineer**, and the **Owner**, do hereby bind themselves, their successors, executors, administrators and assigns to each other party of this Agreement and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this contract.

ARTICLE 13
Engineer's Seal, Responsibility and Warranties

13.1 Engineer's Seal. The **Engineer** shall assign a responsible engineer or engineers licensed to practice in the State of Texas, who shall sign, seal and date all appropriate engineering submissions to the **Owner** in accordance with the Texas Engineering Practice Act and the Rules of the State Board of Registration for Professional Engineers.

13.2 Engineer's Responsibility. The **Engineer** shall be responsible for the accuracy of the work performed, and shall promptly make necessary revisions or corrections resulting from errors, omissions, or negligent acts by the **Engineer**. No additional compensation will be made to the **Engineer** for any necessary revisions or corrections resulting from errors, omissions, or negligent acts by the **Engineer**.

The **Engineer**'s responsibility for all questions arising from errors and/or omissions will be determined by the **Owner** or a designee appointed by the **Owner**. The **Engineer** will not be relieved of the responsibility for subsequent correction of any such errors or omissions or for

clarification of any ambiguities until after the construction phase of the **Project** has been completed.

ARTICLE 14
Engineer's Resources

The **Engineer** shall furnish and maintain, at the **Engineer**'s own expense, office space for the performance of all services, skilled and sufficient personnel, as well as adequate and sufficient equipment to perform the services as required under this Agreement.

14.1 Project Manager. The **Engineer** shall provide a manager (**Project Manager**) that is a registered professional engineer in the State of Texas. The **Project Manager** shall have such knowledge and experience as will enable the **Project Manager** to perform the duties required for the services under this Agreement. The **Engineer** may not change the **Project Manager** during the course of the Work Authorization without prior consent of the **Owner**. If, due to situations beyond the control of the **Engineer**, the **Engineer** must change the **Project Manager** prior to the completion and acceptance of the improvements, the **Engineer** will submit a request to change the **Project Manager** to the **Owner** for approval.

14.2 Employees of the Engineer. All employees of the **Engineer** shall have such knowledge and experience as will enable them to perform the duties assigned to them and required for the services under this Agreement. Any employee of the **Engineer** who, in the opinion of the **Owner**, is incompetent, or whose conduct becomes detrimental to the work required under this Agreement, shall immediately be removed from association with the Work Authorization when so instructed by the **Owner**. The **Engineer** certifies that the **Engineer** presently has employed sufficient and qualified personnel, and will maintain sufficient and qualified personnel for performance of the services under this Agreement.

14.3 Documents/Information Exchange. The purpose of this Article is to define the required automated resources, format for graphics files, and information exchange. Taking into consideration that the **Owner** has a significant investment in the development of the information provided, there is a need for the **Engineer** to provide consistency in document development for information exchange. Consistency in document development for information exchange and production will help facilitate an economically efficient improvement. Therefore, the **Engineer**

shall provide the **Owner** with documents and information in accordance with the special requirements outlined in **EXHIBIT "B"** attached hereto.

ARTICLE 15
Indemnification

To the fullest extent permitted by applicable law, the **Engineer** and its agents, partners, subcontractors, and consultants (collectively "**Indemnitors**") shall and do agree to indemnify, and hold harmless the **Owner**, the **Owner**'s respective directors, elected officials, employees and agents (collectively "**Indemnitees**") from and against all claims, damages, losses, liens, causes of action, suits, judgments and expenses, including attorney fees, of any nature, kind or description (collectively "**Liabilities**") of any person or entity whomsoever arising out of, caused by or resulting from the negligent performance of the **Engineer**'s services through activities of the **Engineer**, its agents, partners, subcontractors and/or consultants performed under this Agreement, and which are caused by or result from error, omission, or negligent act of the **Engineer** or of any person employed or contracted by the **Engineer** provided that any such **Liabilities** (1) are attributable to bodily injury, personal injury, sickness, disease or death of any person, or to the injury to or destruction of tangible personal property including the loss of use and consequential damages resulting therefrom and (2) are caused in whole or in part by any negligent act or omission of the **Engineer**, anyone directly or indirectly employed by the **Engineer** or anyone for whose acts the **Engineer** may be legally liable. The **Engineer** shall also save harmless the **Owner** from any and all expense, including, but not limited to, attorney fees which may be incurred by the **Owner** in litigation or otherwise resisting said claim or liabilities which may be imposed on the **Owner** as a result of such activities by the **Engineer**, its agents, partners, subcontractors and/or consultants. In this connection, it is agreed and understood that the **Engineer** shall not be responsible for any portion of the liability proximately caused by the **Owner**'s negligence.

ARTICLE 16
Joint and Several Liability

In the event more than one of the **Indemnitors** are connected with an accident or occurrence covered by the indemnification in Article 19 hereof, then each of such **Indemnitors** shall be jointly and severally responsible to the **Indemnitees** for indemnification and the

ultimate responsibility among such **Indemnitors** for the loss and expense of any such indemnification shall be settled by separate proceedings and without jeopardy to any **Indemnitee**. The provisions of this Article shall not be construed to eliminate or reduce any other indemnification or right which the **Owner** or any of the **Indemnitees** has by law.

ARTICLE 17
Insurance

The **Engineer** shall obtain and maintain insurance in the limits of liability for each of the types of insurance coverage identified as follows:

(1) Workers' Compensation, endorsed with a waiver of subrogation in favor of the **Owner** in accordance with the statutory obligations imposed by Worker's Compensation or Occupational Disease laws under the Texas Workers' Compensation Law ("**Statutory Texas**").

(2) Commercial General Liability, endorsed with the **Owner** as an additional insured and endorsed with a waiver of subrogation in favor of the **Owner** *all to the extent of the liabilities assumed by the Engineer under Article 15 and Article 16 herein*, in limits of liability not less than one million dollars (**$1,000,000**) combined single limit each occurrence and in the aggregate for bodily injury and property damage.

(3) Texas Business Automobile Policy, endorsed with the **Owner** as an additional insured and endorsed with a waiver of subrogation in favor of the **Owner** *all to the extent of the liabilities assumed by the Engineer under Article 15 and Article 16 herein*, in limits of liability not less than two hundred fifty thousand dollars (**$250,000**) each person for bodily injury, five hundred thousand dollars (**$500,000**) each occurrence for bodily injury, and one hundred thousand dollars (**$100,000**) each occurrence for property damage.

(4) Professional Liability in limits of (**$1,000,000**) each claim and aggregate.

The **Engineer** covenants and agrees to maintain an insurance policy in the minimum limits of liability for each of the types of insurance coverage identified above. The **Engineer** shall furnish the **Owner** with a certificate of insurance (***Hidalgo County Certificate of Insurance***) showing the said policy to be in full force and effect during the period of service, identified in Article 3 hereto, for this Agreement. The completed ***Hidalgo County Certificate of Insurance*** shall be

attached hereto and identified as **EXHIBIT "E"**- ***Hidalgo County Certificate of Insurance***. The **Engineer** will be considered in breach of contract should the **Engineer** fail to maintain an insurance policy in the minimum limits of liability and requirements identified above while performing services for and under this Agreement, and will be subject to default and termination of the Agreement as outlined in Article 3.4 hereto. Additionally, the **Engineer** covenants and agrees to use its best efforts to maintain an insurance policy in the minimum limits of liability and requirements identified above until one year following the date of the acceptance of the notice to proceed by the **Owner**.

ARTICLE 18
Gratuities

The **Owner** mandates that employees of the **Owner** shall not accept any benefits, gifts or favors from any person doing business or who reasonably speaking may do business with the **Owner** under this Agreement; the only exceptions allowed are ordinary business meals. Any person doing business with or who may reasonably seeking to do business with the **Owner** under this Agreement may not make any offer of benefits, gifts or favors to **Owner** employees, except as mentioned herein above. Failure on the part of the **Engineer** to adhere to this provision may result in the termination of this Agreement.

ARTICLE 19
Payment of Franchise Tax

The **Engineer** hereby certifies that the **Engineer** is not delinquent in Texas franchise tax payments, or that the **Engineer** is exempt from, or not subject to, such a tax. A false statement concerning corporation's franchise tax status shall constitute grounds for termination of the Agreement at the sole option of the **Owner**.

ARTICLE 20
Severability

In the event 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.

ARTICLE 21
Notices

All notices to either party by the other required under this Agreement shall be personally delivered or mailed to such party at the following respective addresses:

Owner: Hidalgo County
100 East Cano, 2nd Floor
Edinburg, Texas 78539

Engineer: Leo L. Rodriguez, Jr., d/b/a
Rodriguez Engineering
5602 East Iowa-P. O. Box 1830
Edinburg, Texas 78540

The address may be changed by either party by written notice, and notice so mailed shall be effective upon mailing.

ARTICLE 22
Miscellaneous Provisions

(a) This Agreement constitutes the entire Agreement between the **Engineer** and the **Owner** relating to the work herein described, and supersedes any prior understanding or written or oral contracts between the parties respecting the subject matter defined herein. There are no previous or contemporary representations or warranties of the **Owner** or the **Engineer** not set forth herein.

(b) Except as specifically provided herein, no modification, waiver, termination, rescission, discharge, or cancellation of this Agreement or of any terms thereof shall be binding on the **Owner** unless in writing and executed by an officer or employee of the **Owner** specifically authorized to do so.

(c) No waiver of any provision of or a default under this Agreement shall affect the right of the **Owner** thereafter to enforce said provision or to exercise any right or remedy in the event of any other default, whether or not similar.

(d) No modification, waiver, termination, discharge or cancellation of this Agreement or of any terms thereof shall impair the **Owner**'s rights with respect to any liabilities, whether or not liquidated, of the **Engineer** to the **Owner** theretofore accrued.

(e) All rights and remedies of the **Owner** specified in this Agreement are in addition to the **Owner**'s other rights and remedies.

(f) The **Engineer** shall remain an independent contractor and shall have no power, nor shall the **Engineer** represent that the **Engineer** has any power, to bind the **Owner** or to assume or to create any obligation express or implied on behalf of the **Owner** except as specifically authorized in advance by the **Owner**.

(g) The Agreement shall be construed under the laws of the State of Texas and is performable in Hidalgo County, Texas.

(h) This Agreement may only be amended by a written document executed by the **Owner** and the **Engineer** as provided by Article 7 herein.

ARTICLE 23
Signatory Warranty

The undersigned signatory or signatories for the **Engineer** hereby represent and warrant that the signatory is an officer of the organization for which he or she has executed this Agreement, and that he or she has full and complete authority to enter into this Agreement on behalf of the **Engineer**. The above-stated representations and warranties are made for the purpose of inducing the **Owner** to enter into this Agreement.

IN WITNESS WHEREOF, the **Engineer** and the **Owner** have caused this **Agreement for Professional Services** to be effective as of the _____ day of _____, 2008.

ENGINEER:

RODRIGUEZ ENGINEERING

BY: _____
Leo L. Rodriguez, Jr., P.E./RPLS/President

OWNER:

HIDALGO COUNTY

BY: _____
Juan D. Salinas, County Judge

ATTEST:

_____
Arturo Guajardo, Jr., County Clerk

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

_____
By: Stephen L. Crain

ATTACHMENTS:

EXHIBIT A	-Scope of Services to be Provided by the Owner
EXHIBIT B	-Scope of Services to be Provided by the Engineer
EXHIBIT C	-Work Schedule
EXHIBIT D	-Engineer's Contract Rates
EXHIBIT D1	-Fee Breakdown
EXHIBIT E	-Certificate of Insurance (*Hidalgo County*)

EXHIBIT A

-Scope of Services to be Provided by the Owner

EXHIBIT "A"

Services to be Provided by the Owner

The following provides an outline of the services to be provided by the **Owner** in the development of the **Project**.

The **Owner** will provide to the **Engineer** the following:

1) Authorization to the Engineer to begin work.

2) Payment for work performed by the engineer.

3) Assistance to the Engineer, as necessary, to obtain required data and information from other local, regional, and state agencies that the Engineer cannot easily obtain.

4) Provide any available relevant data that may on file concerning the Project.

5) Provide timely review and decisions in response to the Engineers request for information and/or submittals and deliverables.

6) Attend and participate in progress meetings as required and as coordinated and conducted by the Engineer.

7) Provide assistance to Engineer where necessary and possible with Owner information/resources to ensure project is completed within timely/efficient basis.

EXHIBIT B

-Scope of Services to be Provided by the Engineer

EXHIBIT "B"

Services to be provided by the Engineer

The following provides an outline of the services to be provided by the **Engineer** in the development of the **Project.**

The ENGINEER will evaluate and design the Paving Improvements as follows:

- Review existing conditions to develop the design criteria;
- Conduct field surveys to obtain information on existing conditions and topography on the proposed roadways;
- Identify alignments and right of ways of proposed roadways;
- Develop typical cross sections for proposed roadways;
- Prepare plans and specifications for the improvements;
- Assist in bidding of the improvements if needed;
- Provide construction staking and periodic inspection services during the construction phase of the improvements.

SCOPE OF SERVICES
HIDALGO COUNTY PRECINCT #1 PAVING IMPROVEMENTS
BARRERA STREET
PREPARED BY: RODRIGUEZ ENGINEERING

Hidalgo County Precinct 1 proposes to construct paving improvements for Barrera Street. The improvements will consist of new construction for the existing caliche road to improve it with 8" caliche and 2" asphalt.

Contract Amount: $15,000.00

Project Tasks

TASK I – PROJECT ORIENTATION AND STARTUP

We propose that an initial project orientation meeting be scheduled so that both the Precinct and our firm may have a clear understanding of the design and construction process, parameters to be used and the final product desired.

TASK II – SURVEY

Necessary field information will be developed by field surveys. Record plans will be used as a guide for the survey work and for the analysis of design alternatives.

TASK III – DESIGN ALTERNATIVES

Various design alternatives will be developed using information secured from ongoing field surveys. The existing record plans of the Precinct will be used as a guide for design evaluations. Each alternative will be evaluated with regard to the Project's goals being met. Cost estimates will be developed for the various alternatives.

TASK IV – DESIGN

This task will assure that the streets designed and incorporated in the plans are adequate for the area.

TASK V – PRELIMINARY PLANS AND ESTIMATES

The preliminary set of plans which will result from Task IV along with cost estimates will be reviewed with Precinct staff for input and guidance.

TASK VI – FINAL PLANS AND SPECIFICATIONS

Final plans, specifications and estimates will be prepared during this task. The output of this task will be the documents necessary for bidding and constructing the project.

TASK VII – BIDDING AND AWARD *(if necessary)*

VII a. Bidding Process

A pre-bid meeting will be scheduled if necessary in order to brief potential bidders and suppliers on the project. Necessary clarifications or addendum will be issued. We will attend the bid opening and assist as the Precinct desires.

VII b. Bid Recommendations

After receipt of bids by the Precinct, we will tabulate the bids and make recommendations in consultation with Precinct staff.

VII c. Award

We will prepare necessary contract documents for execution after award by the Precinct.

TASK VIII – CONSTRUCTION

During this stage we will observe ongoing work, provide construction staking of the contractor and certify periodic payment requests. Upon completion, a final inspection will be scheduled with the contractor and Precinct staff. The outcome of this final inspection will be a certificate of completion or a punch list of items for the contractor to complete.

TASK IX – AS BUILTS

We will provide the Precinct with reproducible "as-builts" of the project along with a diskette on Auto-Cadd.

EXHIBIT C

-Work Schedule

EXHIBIT "C"
Work Schedule

For this Agreement, the **Engineer** shall perform the work identified in EXHIBIT "B" in accordance with the following schedule:

- Conduct field surveys to obtain information on existing roadways.
- Prepare Plans and Specifications
- Provide Construction staking and periodic inspections during construction phase of improvements

The **Engineer** will diligently pursue the completion of this work authorization as defined by the milestones and deliverable due dates outlined in the approved work schedule.

The **Engineer** will inform the **Owner** (in reasonable advance of the delay) should the **Engineer** encounter delays that would prevent the performance of all work in accordance with the established work schedule.

EXHIBIT D

-Engineer's Contract Rates

EXHIBIT "D"

ENGINEER'S CONTRACT RATES

HOURLY RATES:

Principal	$120.00/Hr.
Project Manager	$ 78.00/Hr.
Project Engineer	$ 70.00/Hr.
R.P.L.S.	$ 70.00/Hr.
G.P.S. Survey Crew	$ 95.00/Hr.
3 Man Survey Crew	$ 80.00/Hr.
2 Man Survey Crew	$ 70.00/Hr.
Party Chief	$ 40.00/Hr.
CADD/Designer	$ 48.00/Hr.
Clerical	$ 15.00/Hr.

EXHIBIT D1

-Fee Breakdown

EXHIBIT "D1"
Fee Breakdown

For and in consideration of the **Services** attached to this Agreement and to be rendered by the **Engineer**, the **Owner** shall pay the **Engineer** the **Fee** as defined in this Agreement, and as more particularly identified as follows:

Basic Services Fee	=	**$15,000.00**
Field Surveying	=	25% of the Services Fee
Final Design	=	75% of the Services Fee
Construction Staking	=	25% of the Services Fee

EXHIBIT E

-Certificate of Insurance (*Hidalgo County)*

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY): 08/18/08

PRODUCER
South Side Insurance
P.O. Box 1526
McAllen, TX 78505
Phone (956)664-2246 Fax (956)664-2279

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
LEO L. RODRIGUEZ, JR
DBA RODRIGUEZ ENGINEERING
5602 E. IOWA
EDINBURG, TX 78540

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: HARTFORD LLOYDS INS CO	
INSURER B: LANDMARK AMERICAN INS CO	
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

COVERAGES

THE POLICIES OF INSURANCE LISTED 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 LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY ☑ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS MADE ☑ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PROJECT ☐ LOC	61SBMRR4037DX	06/26/08	06/26/09	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	1000000 100000 5000 1000000 2000000 1000000
		AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ☐ NON OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	
		GARAGE LIABILITY ☐ ANY AUTO				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EA ACC / AGG	
		EXCESS/UMBRELLA LIABILITY ☐ OCCUR ☐ CLAIMS MADE ☐ DEDUCTIBLE ☐ RETENTION $				EACH OCCURRENCE AGGREGATE	
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER / MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	61WECNV8909	06/26/08	06/26/09	☑ WC STATU-TORY LIMITS ☐ OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	1000000
B		OTHER PROFESSIONAL LIABILITY	LHR718318	07/06/08	07/06/09	E & O	1000000

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

CERTIFICATE HOLDER

COUNTY OF HIDALGO
EDINBURG, TX 78539
FAX# 973 7804
ATTENTION NOE MONTES

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

© ACORD CORPORATION 1988

CERTIFICATE OF INSURANCE

SUCH INSURANCE AS RESPECTS THE INTEREST OF THE CERTIFICATE HOLDER NAMED BELOW WILL NOT BE CANCELED OR OTHERWISE TERMINATED WITHOUT GIVING 10 DAYS PRIOR WRITTEN NOTICE TO THE CERTIFICATE HOLDER, BUT IN NO EVENT SHALL THIS CERTIFICATE BE VALID MORE THAN 30 DAYS FROM THE DATE WRITTEN. THIS CERTIFICATE OF INSURANCE DOES NOT CHANGE THE COVERAGE PROVIDED BY ANY POLICY DESCRIBED BELOW.

This certifies that:
- ☒ STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY of Bloomington, Illinois
- ☐ STATE FARM FIRE AND CASUALTY COMPANY of Bloomington, Illinois
- ☐ STATE FARM COUNTY MUTUAL INSURANCE COMPANY OF TEXAS of Dallas, Texas
- ☐ STATE FARM INDEMNITY COMPANY of Bloomington, Illinois, or
- ☐ STATE FARM GUARANTY INSURANCE COMPANY of Bloomington, Illinois

has coverage in force for the following Named Insured as shown below:

NAMED INSURED: Leo L. Rodriguez Jr. DBA Rodriguez Engineering

ADDRESS OF NAMED INSURED: 5602 E Iowa Road Edinburg, TX 78540

POLICY NUMBER	1194980E0653			
EFFECTIVE DATE OF POLICY	05/06/2008			
DESCRIPTION OF VEHICLE (Including VIN)	2001 Ford F150 P/U VIN#B99777			
LIABILITY COVERAGE	☒ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO
LIMITS OF LIABILITY a. Bodily Injury Each Person	250,000			
Each Accident	500,000			
b. Property Damage Each Accident	300,000			
c. Bodily Injury & Property Damage Single Limit Each Accident				
PHYSICAL DAMAGE COVERAGES a. Comprehensive	☒ YES ☐ NO $ 500 Deductible	☐ YES ☐ NO $ Deductible	☐ YES ☐ NO $ Deductible	☐ YES ☐ NO $ Deductible
b. Collision	☒ YES ☐ NO $ 500 Deductible	☐ YES ☐ NO $ Deductible	☐ YES ☐ NO $ Deductible	☐ YES ☐ NO $ Deductible
EMPLOYERS NON-OWNED CAR LIABILITY COVERAGE	☐ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO
HIRED CAR LIABILITY COVERAGE	☐ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO
FLEET - COVERAGE FOR ALL OWNED AND LICENSED MOTOR VEHICLES	☐ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO

Signature of Authorized Representative

Agent — Title

6442 — Agent's Code Number

09/09/2008 — Date

Name and Address of Certificate Holder

County of Hidalgo
100 E Cano 5th Floor
Administration Building
Edinburg, TX 78539

Name and Address of Agent

James Newman
903 Pecan
McAllen, TX 78501
(956) 687-3849

INTERNAL STATE FARM USE ONLY:
- ☐ Request permanent Certificate of Insurance for liability coverage.
- ☐ Request Certificate Holder to be added as an Additional Insured.

122429.3 Rev. 07-26-2005

EXHIBIT F

-Supplemental Agreement Form

EXHIBIT "F"

Supplemental Agreement Form

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

SUPPLEMENTAL AGREEMENT NO. ___

TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS **SUPPLEMENTAL AGREEMENT** is made pursuant to the terms and conditions of Article 8 of the Agreement made by and between **HIDALGO COUNTY**, acting herein by and through the **Commissioner's Court**, hereinafter called the "**Owner**", and _____, Professional Engineers of, _____, Texas, hereinafter called the "**Engineer**".

WITNESSETH

WHEREAS, the **Owner** and the **Engineer** executed the **Agreement** on the _____ day of _____ **2007** concerning engineering for _____ (hereinafter referred to as the "**Project**"); and,

WHEREAS, Article ___ of the **Agreement**, (article title), establishes _____; and,

WHEREAS, it has become necessary to amend the contract to _____

A. AGREEMENT

NOW THEREFORE, premises considered, the **Owner** and the **Engineer** agree that said **Agreement** is amended as follows:

1. Article ___ of the **Agreement**, (article title), is revised to

All other provisions are unchanged and remain in full force and effect.

IN WITNESS WHEREOF, the Engineer and the Owner have caused this Supplemental Agreement to the Agreement for Professional Services to be executed as of the _____ day of _____, 20__.

THE ENGINEER:
ENGINEER

BY:_____

THE OWNER:
HIDALGO COUNTY

BY:_____
Juan D. Salinas III, County Judge

LIST OF ATTACHMENTS

(as required)

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES
C-08-385-09-30

THIS AGREEMENT is made, by and between **Hidalgo County,** acting herein by and through the **Commissioner's Court**, hereinafter called the "**Owner**", and **Leo L. Rodriguez, Jr.** d/b/a **Rodriguez Engineering**, Professional Engineers of McAllen, Texas, hereinafter called the "**Engineer**".

W I T N E S S E T H:

WHEREAS, the **Owner** desires to contract with the **Engineer** to provide Engineering Services for the, "**Design Construction and Paving Improvements of Mile 16 from Mile 4 to FM 1015"** for **Hidalgo County Precinct No. 1**.

NOW, THEREFORE, the **Owner** and the **Engineer** in consideration of the mutual covenants and agreements herein contained do mutually agree as follows:

ARTICLE I
Employment of Engineer

The **Owner** agrees to employ the **Engineer** and the **Engineer** agrees to perform on-site civil engineering plans as stated in the articles to follow, and for having rendered such services, the **Owner** agrees to pay the **Engineer** compensation as stated in the articles to follow.

ARTICLE 2
Character and Extent of Services

This Agreement will provide for the project with the following:

2.1. Scope of Work. The **Owner** will furnish items and provide those services for the development of and fulfillment of this Agreement, as identified in **EXHIBIT "A" *-Services to be Provided by the Owner***, attached hereto and made a part of this Agreement. The **Engineer** shall render professional engineering services for the development and fulfillment of

this Agreement as identified in **EXHIBIT "B"-*Services to be Provided by the Engineer***, attached hereto and made a part of this Agreement.

2.2 Classification of Services. For this Agreement, the professional services to be provided by the **Engineer**, are more particularly identified in **EXHIBIT "B"**, attached hereto.

ARTICLE 3
Period of Service

Upon execution of this Agreement, the **Engineer** shall proceed with the work outlined under Article 2 hereof.

3.1 Termination Date. This Agreement shall terminate at the close of business upon completion of this project (hereinafter referred to as the "**Termination Date**"), unless extended by written supplemental agreement, as provided in Article 8 hereof, duly executed by the **Engineer** and the **Owner** prior to the **Termination Date**, or otherwise terminated as provided in Article 3.4 herein and below. The **Owner** assumes no liability or obligation for payment to the **Engineer** for work performed or costs incurred by the **Engineer** prior to the date authorized by the **Owner** for the **Engineer** to begin work, during periods when work is suspended, or subsequent to the **Termination Date**.

3.2 Extension of the Termination Date. The **Engineer** shall notify the **Owner** in writing as soon as possible if it is determined, or reasonably anticipated, that the work under this Agreement cannot be completed before the **Termination Date**, and the **Owner** may, at the **Owner**'s sole discretion, extend the **Termination Date** by written supplemental agreement as provided in Article 7 hereof. The **Engineer** shall allow adequate time for review and approval by the **Owner** of the written notice and request by the **Engineer** to extend the **Termination Date**.

3.3 Suspension of Work. Should the **Owner** desire to suspend the work under this Agreement, but not terminate this Agreement, the Owner shall provide thirty (30) calendar days verbal notification to the **Engineer**, followed by written confirmation from the **Owner** to the **Engineer** to that effect. The thirty-day notice may be waived as agreed in writing by both the **Owner** and the **Engineer**. The work under this Agreement may be reinstated and resumed in full force and effect within sixty (60) days of receipt of written notice from the **Owner** to the

Engineer. The sixty-day notice may be waived as agreed in writing by both the **Owner** and the **Engineer**.

If the **Owner** suspends the work, the **Termination Date** as identified above is not affected, and this Agreement will terminate on the date specified, unless extended by written supplemental agreement, as provided in Article 7 hereof, duly executed by the **Engineer** and the **Owner** prior to the **Termination Date**.

3.4 Termination of Agreement. This Agreement may be terminated before the stated **Termination Date** identified in Article 3.1 herein by any of the following conditions:

(1) **Commitment of Current Revenues.** In the event that, during any term hereof, the **Owner** does not appropriate sufficient funds to meet to the obligations of this Agreement, the **Owner** may terminate this Agreement upon thirty (30) days written notice to the **Engineer**. The **Owner** agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of the **Owner** pursuant to the provisions of Tex. Loc. Govt. Code Ann. § 271.903 (Vernon Supp.1995).

(2) By mutual agreement and consent, in writing, of both the **Engineer** and the **Owner**.

(3) By the **Owner**, upon failure of the **Engineer** to fulfill the **Engineer**'s obligations set forth herein in a satisfactory manner as determined by the **Owner** and in sole opinion of the **Owner**, after the **Owner** provides written notice to the **Engineer** of such failure and the **Engineer** has not corrected such failure within (30) days of such written notice by the **Owner**.

(4) By the **Engineer**, upon failure of the **Owner** to fulfill the **Owner**'s obligations set forth herein, after the **Engineer** provides written notice to the **Owner** of such failure and the **Owner** has not corrected such failure within thirty (30) days of such written notice by the **Engineer**.

(5) By the **Owner** without cause upon thirty (30) days written notice to the **Engineer**.

(6) By satisfactory completion of all services and obligations described herein.

Should the **Owner** terminate this Agreement as herein provided, no fees other than fees due and payable at the time of termination shall thereafter be paid to the **Engineer** notwithstanding anything herein to the contrary. In determining the value of the work performed by the **Engineer** prior to termination, the **Owner** shall be the sole judge of the value of such work performed. Compensation for work at termination will be based on a percentage of the work completed at that time. Should the **Owner** terminate this Agreement under (5) of the paragraph above, the amount charged during the thirty (30) day notice period shall not exceed the amount charged during the preceding ninety (90) days.

If the termination of this Agreement is due to the failure of the **Engineer** to fulfill the **Engineer**'s obligations under this Agreement, the **Owner** may take over the Work Schedule, Exhibit "C" and prosecute the work to completion. In such case, the **Engineer** shall be liable to the **Owner** for any additional cost occasioned by the **Owner**.

If the **Engineer** defaults in the performance of this Agreement or if the **Owner** terminates this Agreement for fault on the part of the **Engineer**, the **Owner** will give consideration to payment of an amount in settlement to include: the actual costs incurred by the **Engineer** in performing the work to the date of default, the amount of work required which was satisfactorily completed to date of default, the value of the work which is usable to the **Owner**, the cost to the **Owner** of employing another consultant and/or firm to complete the work required and the time required to do so, and other factors which affect the value to the **Owner** of the work performed at the time of default. This Agreement shall not be considered as specifying the exclusive remedy for any default by the **Engineer**, but all remedies existing at law and in equity may be availed of by either party and shall be cumulative.

The termination of the Agreement and payment of an amount in settlement as prescribed above shall extinguish all rights, duties, and obligations of the **Owner** and the **Engineer** under this Agreement, except the obligations set forth in Articles 11, 13, 14.3 and 15 hereto.

ARTICLE 4
Progress and Coordination

The **Engineer** shall, from time to time during the progress of the work, confer with the **Owner**. The **Engineer** shall prepare and present such information as may be pertinent and necessary, or as may be requested by the **Owner**, in order to evaluate features of the **Engineer**'s services and work.

At the request of the **Owner** or the **Engineer**, conferences shall be provided at the **Engineer**'s office, the office of the **Owner**, or at other locations designated by the **Owner**. These conferences shall also include evaluation of the **Engineer**'s services and work when requested by the **Owner**.

All applicable study reports shall be submitted in preliminary form for approval by the **Owner** before the final report is issued. The **Owner**'s comments regarding the **Engineer**'s preliminary report will be addressed by the **Engineer** in the final report.

If funds by other agencies or entities are to be used for the development of the **Project** under this Agreement, the **Engineer**'s services and work will be subject to periodic review and approval by other agencies or entities, including those of the city, county, state, and/or federal agencies.

Should it be determined that the progress in the production of the **Engineer's** services and work does not satisfy the requirements of the Scope of Services as provided by the engineer, the **Owner** shall review the approved Scope of Services with the **Engineer** to determine the corrective action needed by either the **Owner** or the **Engineer**.

The **Engineer** shall promptly advise the **Owner** in writing of events which have a significant impact upon the progress of the **Engineer**'s services and work and the approved Scope of Services, including:

(1) problems, delays, adverse conditions which will materially affect the ability to attain contract objectives, prevent the meeting of time schedules and goals, this disclosure will be accompanied by a statement by the **Engineer** of recommended or immediate action taken, or contemplated, and any **Owner** or other agency or entity assistance needed to resolve the situation; and

(2) favorable developments or events which enable meeting the Scope of Services goals sooner than anticipated.

ARTICLE 5
Compensation and Fees

For and in consideration of the services to be rendered by the **Engineer**, the **Owner** shall compensate the **Engineer** as follows:

5.1 *Services.* For and in consideration of the ***Services*** to be rendered by the **Engineer**, as identified in Article 2 and more particularly identified in **EXHIBIT "B"**, attached hereto, the amount payable by the **Owner** to the **Engineer** for ***Services*** will be in the amount of **$30,966.76** subject to adjustment in accordance with Article 6.1 herein, will be provided in **EXHIBIT D1- *Fee Breakdown*** attached. Payments to the **Engineer** for ***Services*** shall be made by the **Owner,** upon presentation by the **Engineer** of the **Request for Payment**, in accordance with the terms and provisions of Article 6 herein.

ARTICLE 6
Method of Payment

6. 1 Request for Payment. Payments to the **Engineer** for services rendered will be made while work is in progress as executed through a lump sum fee assigned. The **Engineer** shall prepare and submit to the **Owner** monthly progress reports in sufficient detail to support the progress of the work and in support of a request for payment (hereinafter referred to as "**Request for Payment**"). The progress report shall indicate the percent completion of the work accomplished by the **Engineer** during the billing period and to the date of the **Request for Payment**. On or before noon of the first Monday of each month during the performance of the services, the **Engineer** shall submit to the **Owner** for approval a **Request for Payment**. Payment of the lump sum fee identified in the **Request for Payment** will be in proportion to the percent completion of the work tasks identified together with a detailed breakdown of the amount and the sum of all prior payments. The **Owner** shall review each such **Request for Payment** and may make such exceptions as the **Owner** reasonably deems necessary or appropriate under the circumstances then existing. About ten (10) working days after the Commissioners Court of the **Owner** meets approving such payment, the **Owner** shall make payment to the **Engineer** in the amount approved as aforesaid subject to Article 6.4 herein and below.

6.2 Final Payment. After final completion of the work and acceptance thereof by the **Owner**, the **Engineer** shall submit a final request for payment ("**Final Request for Payment**") which shall set forth all amounts due and remaining unpaid to the **Engineer** and upon approval thereof by the **Owner**, the **Owner** shall pay to the **Engineer** the amount due ("**Final Payment**") under such **Final Request for Payment** in accordance with the provisions of Article 6.1 hereof. The **Final Payment** shall not be made until the **Engineer** delivers to the **Owner** an affidavit that so far as the **Engineer** has knowledge or information any and all amounts due for materials and services over which the **Engineer** has control have been paid.

6.3 Qualification on Obligations to Pay. Any provision hereof to the contrary notwithstanding, the **Owner** shall not be obligated to make any payment (whether a payment under Article 6.1 hereof or **Final Payment**) to the **Engineer** hereunder if any one or more of the following conditions precedent exist:

(1) The **Engineer** is in default of any of its obligations hereunder or otherwise is in default under this Agreement or under any contract documents related to this Agreement;

(2) Any part of such payment is attributable to the **Engineer**'s services which are not performed in accordance with this Agreement; provided, however, such payment shall be made as to the part thereof attributable to the **Engineer**'s services which were performed in accordance with this Agreement;

(3) The **Engineer** has failed to make payments promptly to consultants or other third parties used for which the **Owner** has made payment to the **Engineer**;

(4) If the **Owner**, in good faith judgment, determines that the portion of the compensation then remaining unpaid will not be sufficient to complete the **Engineer**'s services in accordance with this Agreement, no additional payments will be due the **Engineer** hereunder unless and until the **Engineer**, at its sole cost, performs a sufficient portion of the **Engineer**'s services so that such portion of the compensation then remaining unpaid is determined by the **Owner** to be sufficient to so complete the **Engineer**'s services.

6.4 No partial payment made hereunder shall be or construed to be final acceptance or approval of that part of the **Engineer**'s services to which such partial payment related or relieves the **Engineer** of any of its obligations hereunder with respect thereto.

6.5 The **Engineer** shall promptly pay all bills for labor and material performed and furnished by others in connection with the performance of the **Engineer**'s services.

6.6 Waiver. The making of the **Final Payment** shall constitute a waiver of all claims by the **Owner** except those arising from (1) faulty or defective services of the **Engineer** appearing after completion of the **Project**, or (2) failure of the **Engineer**'s services to comply with the requirements of this Agreement. The acceptance of **Final Payment** shall constitute a waiver of all claims by the **Engineer** except those previously made in writing and identified by the **Engineer** as unsettled at the time of the **Final Request for Payment.**

ARTICLE 7
Supplemental Agreements

The terms of this Agreement may be amended by supplemental agreement if the **Owner** determines that (1) there is a need to extend the **Termination Date** identified in Article 3.1 hereof, (2) there has been a significant change in the scope, complexity or character of the services to be performed by the **Engineer**, and/or (3) for any other reason agreeable to the **Owner** and the **Engineer**.

If determined appropriate by the **Owner**, additional compensation to the **Engineer** for (1), (2) and/or (3) above shall be paid as a negotiated lump sum fee at the **Contract Rates** specified in **EXHIBIT "D1"**, attached hereto. The negotiated lump sum fee shall be incorporated into the **Supplemental Agreement**.

Any **Supplemental Agreement** must be executed by both the **Engineer** and the **Owner** prior to the **Termination Date** specified in Article 3 hereof.

It is distinctly understood and agreed that no claim by the **Engineer** for additional work, as identified in Article 8 hereof, or changes or revisions in work, as identified in Article 9 hereof, shall be made by the **Engineer** until full execution of the **Supplemental Agreement** and authorization to proceed is granted by the **Owner**. The **Owner** reserves the right to withhold payment to the **Engineer** pending verification of satisfactory work performed by the **Engineer**.

ARTICLE 8
Additional Work

If the **Engineer** is of the opinion that any work it has been directed to perform is beyond the scope of this Agreement and constitutes extra work, the **Engineer** shall promptly notify the **Owner** in writing. In the event the **Owner** finds that such work does constitute extra work, the **Owner** shall so advise the **Engineer** and a written supplemental agreement will be executed

between the **Owner** and the **Engineer** as provided herein. The **Engineer** shall not perform any proposed additional work or incur any additional costs prior to the execution by both the **Engineer** and the **Owner** of a supplemental agreement. Additional compensation from the Owner to the Engineer shall be paid as a negotiated lump sum fee at the **Contract Rates** specified in **EXHIBIT "D1"**, attached hereto. The negotiated lump sum fee shall be incorporated into the supplemental agreement as specified in Article 7 hereof. The **Owner** shall not be liable or under any obligation to compensate the **Engineer** for work performed or costs incurred by the **Engineer** relating to additional work not directly associated with the performance of the work authorized in this Agreement or as amended through supplemental agreement.

ARTICLE 9
Changes or Revisions in Work

If the **Owner** finds it necessary to request changes to the work, and the changes are within the applications of sound engineering principles, the **Engineer** shall make such revisions if requested and directed by the **Owner**.

9.1 Preliminary Work. The **Engineer** will make, without expense to the **Owner**, such revisions of any preliminary reports or drawings as may be required to meet the needs of the **Owner** and the applications of sound engineering principles.

ARTICLE 10
Ownership and Release of Documents

10.1 Ownership of Documents.

All documents furnished to the **Engineer** by the **Owner** shall be delivered to the **Owner** upon completion or termination of this Agreement. The **Engineer**, at the **Engineer**'s own expense, may retain copies of such documents or any other data under this Agreement.

ARTICLE 11
Records, Accounting, Inspection

The **Engineer** shall keep full and detailed records and accounts in a manner approved by the **Owner**. The **Engineer** shall afford the **Owner**'s authorized personnel and independent auditors, if any, full access to the work performed by the **Engineer** regarding the Work Schedule Exhibit "C" and to all of the **Engineer**'s books, records, correspondence, instructions,

drawings, receipts, vouchers and other documents relating to such work under this Agreement, and the **Engineer** shall preserve all such records for three (3) years after final payment. The **Engineer** shall deliver to the **Owner** upon completion of such work, a statement of the cost of such work detailed according to the accounting procedure and requirements of the **Owner**.

ARTICLE 12
Subcontracting and Assignment

The **Engineer** shall not assign, subcontract or transfer the **Engineer**'s interest in this Agreement without the prior written consent of the **Owner**. The **Engineer** shall bind every sub-consultant by written subcontract to observe all the terms of this Agreement to the extent that they may be applicable to each sub-consultant. No subcontract relieves the **Engineer** of any responsibilities under this Agreement.

The **Engineer**, and the **Owner**, do hereby bind themselves, their successors, executors, administrators and assigns to each other party of this Agreement and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this contract.

ARTICLE 13
Engineer's Seal, Responsibility and Warranties

13.1 Engineer's Seal. The **Engineer** shall assign a responsible engineer or engineers licensed to practice in the State of Texas, who shall sign, seal and date all appropriate engineering submissions to the **Owner** in accordance with the Texas Engineering Practice Act and the Rules of the State Board of Registration for Professional Engineers.

13.2 Engineer's Responsibility. The **Engineer** shall be responsible for the accuracy of the work performed, and shall promptly make necessary revisions or corrections resulting from errors, omissions, or negligent acts by the **Engineer**. No additional compensation will be made to the **Engineer** for any necessary revisions or corrections resulting from errors, omissions, or negligent acts by the **Engineer**.

The **Engineer**'s responsibility for all questions arising from errors and/or omissions will be determined by the **Owner** or a designee appointed by the **Owner**. The **Engineer** will not be relieved of the responsibility for subsequent correction of any such errors or omissions or for

clarification of any ambiguities until after the construction phase of the **Project** has been completed.

ARTICLE 14
Engineer's Resources

The **Engineer** shall furnish and maintain, at the **Engineer**'s own expense, office space for the performance of all services, skilled and sufficient personnel, as well as adequate and sufficient equipment to perform the services as required under this Agreement.

14.1 Project Manager. The **Engineer** shall provide a manager (**Project Manager**) that is a registered professional engineer in the State of Texas. The **Project Manager** shall have such knowledge and experience as will enable the **Project Manager** to perform the duties required for the services under this Agreement. The **Engineer** may not change the **Project Manager** during the course of the Work Authorization without prior consent of the **Owner**. If, due to situations beyond the control of the **Engineer**, the **Engineer** must change the **Project Manager** prior to the completion and acceptance of the improvements, the **Engineer** will submit a request to change the **Project Manager** to the **Owner** for approval.

14.2 Employees of the Engineer. All employees of the **Engineer** shall have such knowledge and experience as will enable them to perform the duties assigned to them and required for the services under this Agreement. Any employee of the **Engineer** who, in the opinion of the **Owner**, is incompetent, or whose conduct becomes detrimental to the work required under this Agreement, shall immediately be removed from association with the Work Authorization when so instructed by the **Owner**. The **Engineer** certifies that the **Engineer** presently has employed sufficient and qualified personnel, and will maintain sufficient and qualified personnel for performance of the services under this Agreement.

14.3 Documents/Information Exchange. The purpose of this Article is to define the required automated resources, format for graphics files, and information exchange. Taking into consideration that the **Owner** has a significant investment in the development of the information provided, there is a need for the **Engineer** to provide consistency in document development for information exchange. Consistency in document development for information exchange and production will help facilitate an economically efficient improvement. Therefore, the **Engineer**

shall provide the **Owner** with documents and information in accordance with the special requirements outlined in **EXHIBIT "B"** attached hereto.

ARTICLE 15
Indemnification

To the fullest extent permitted by applicable law, the **Engineer** and its agents, partners, subcontractors, and consultants (collectively "**Indemnitors**") shall and do agree to indemnify, and hold harmless the **Owner**, the **Owner**'s respective directors, elected officials, employees and agents (collectively "**Indemnitees**") from and against all claims, damages, losses, liens, causes of action, suits, judgments and expenses, including attorney fees, of any nature, kind or description (collectively "**Liabilities**") of any person or entity whomsoever arising out of, caused by or resulting from the negligent performance of the **Engineer**'s services through activities of the **Engineer**, its agents, partners, subcontractors and/or consultants performed under this Agreement, and which are caused by or result from error, omission, or negligent act of the **Engineer** or of any person employed or contracted by the **Engineer** provided that any such **Liabilities** (1) are attributable to bodily injury, personal injury, sickness, disease or death of any person, or to the injury to or destruction of tangible personal property including the loss of use and consequential damages resulting therefrom and (2) are caused in whole or in part by any negligent act or omission of the **Engineer**, anyone directly or indirectly employed by the **Engineer** or anyone for whose acts the **Engineer** may be legally liable. The **Engineer** shall also save harmless the **Owner** from any and all expense, including, but not limited to, attorney fees which may be incurred by the **Owner** in litigation or otherwise resisting said claim or liabilities which may be imposed on the **Owner** as a result of such activities by the **Engineer**, its agents, partners, subcontractors and/or consultants. In this connection, it is agreed and understood that the **Engineer** shall not be responsible for any portion of the liability proximately caused by the **Owner**'s negligence.

ARTICLE 16
Joint and Several Liability

In the event more than one of the **Indemnitors** are connected with an accident or occurrence covered by the indemnification in Article 19 hereof, then each of such **Indemnitors** shall be jointly and severally responsible to the **Indemnitees** for indemnification and the

ultimate responsibility among such **Indemnitors** for the loss and expense of any such indemnification shall be settled by separate proceedings and without jeopardy to any **Indemnitee**. The provisions of this Article shall not be construed to eliminate or reduce any other indemnification or right which the **Owner** or any of the **Indemnitees** has by law.

ARTICLE 17
Insurance

The **Engineer** shall obtain and maintain insurance in the limits of liability for each of the types of insurance coverage identified as follows:

(1) Workers' Compensation, endorsed with a waiver of subrogation in favor of the **Owner** in accordance with the statutory obligations imposed by Worker's Compensation or Occupational Disease laws under the Texas Workers' Compensation Law ("**Statutory Texas**").

(2) Commercial General Liability, endorsed with the **Owner** as an additional insured and endorsed with a waiver of subrogation in favor of the **Owner** *all to the extent of the liabilities assumed by the Engineer under Article 15 and Article 16 herein*, in limits of liability not less than one million dollars (**$1,000,000**) combined single limit each occurrence and in the aggregate for bodily injury and property damage.

(3) Texas Business Automobile Policy, endorsed with the **Owner** as an additional insured and endorsed with a waiver of subrogation in favor of the **Owner** *all to the extent of the liabilities assumed by the Engineer under Article 15 and Article 16 herein*, in limits of liability not less than two hundred fifty thousand dollars (**$250,000**) each person for bodily injury, five hundred thousand dollars (**$500,000**) each occurrence for bodily injury, and one hundred thousand dollars (**$100,000**) each occurrence for property damage.

(4) Professional Liability in limits of (**$1,000,000**) each claim and aggregate.

The **Engineer** covenants and agrees to maintain an insurance policy in the minimum limits of liability for each of the types of insurance coverage identified above. The **Engineer** shall furnish the **Owner** with a certificate of insurance (***Hidalgo County Certificate of Insurance***) showing the said policy to be in full force and effect during the period of service, identified in Article 3 hereto, for this Agreement. The completed ***Hidalgo County Certificate of Insurance*** shall be

attached hereto and identified as **EXHIBIT "E"- *Hidalgo County Certificate of Insurance***. The **Engineer** will be considered in breach of contract should the **Engineer** fail to maintain an insurance policy in the minimum limits of liability and requirements identified above while performing services for and under this Agreement, and will be subject to default and termination of the Agreement as outlined in Article 3.4 hereto. Additionally, the **Engineer** covenants and agrees to use its best efforts to maintain an insurance policy in the minimum limits of liability and requirements identified above until one year following the date of the acceptance of the notice to proceed by the **Owner**.

ARTICLE 18
Gratuities

The **Owner** mandates that employees of the **Owner** shall not accept any benefits, gifts or favors from any person doing business or who reasonably speaking may do business with the **Owner** under this Agreement; the only exceptions allowed are ordinary business meals. Any person doing business with or who may reasonably seeking to do business with the **Owner** under this Agreement may not make any offer of benefits, gifts or favors to **Owner** employees, except as mentioned herein above. Failure on the part of the **Engineer** to adhere to this provision may result in the termination of this Agreement.

ARTICLE 19
Payment of Franchise Tax

The **Engineer** hereby certifies that the **Engineer** is not delinquent in Texas franchise tax payments, or that the **Engineer** is exempt from, or not subject to, such a tax. A false statement concerning corporation's franchise tax status shall constitute grounds for termination of the Agreement at the sole option of the **Owner**.

ARTICLE 20
Severability

In the event 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.

ARTICLE 21
Notices

All notices to either party by the other required under this Agreement shall be personally delivered or mailed to such party at the following respective addresses:

Owner: Hidalgo County
100 East Cano, 2nd Floor
Edinburg, Texas 78539

Engineer: Leo L. Rodriguez, Jr., d/b/a
Rodriguez Engineering
5602 East Iowa-P. O. Box 1830
Edinburg, Texas 78540

The address may be changed by either party by written notice, and notice so mailed shall be effective upon mailing.

ARTICLE 22
Miscellaneous Provisions

(a) This Agreement constitutes the entire Agreement between the **Engineer** and the **Owner** relating to the work herein described, and supersedes any prior understanding or written or oral contracts between the parties respecting the subject matter defined herein. There are no previous or contemporary representations or warranties of the **Owner** or the **Engineer** not set forth herein.

(b) Except as specifically provided herein, no modification, waiver, termination, rescission, discharge, or cancellation of this Agreement or of any terms thereof shall be binding on the **Owner** unless in writing and executed by an officer or employee of the **Owner** specifically authorized to do so.

(c) No waiver of any provision of or a default under this Agreement shall affect the right of the **Owner** thereafter to enforce said provision or to exercise any right or remedy in the event of any other default, whether or not similar.

(d) No modification, waiver, termination, discharge or cancellation of this Agreement or of any terms thereof shall impair the **Owner**'s rights with respect to any liabilities, whether or not liquidated, of the **Engineer** to the **Owner** theretofore accrued.

(e) All rights and remedies of the **Owner** specified in this Agreement are in addition to the **Owner**'s other rights and remedies.

(f) The **Engineer** shall remain an independent contractor and shall have no power, nor shall the **Engineer** represent that the **Engineer** has any power, to bind the **Owner** or to assume or to create any obligation express or implied on behalf of the **Owner** except as specifically authorized in advance by the **Owner**.

(g) The Agreement shall be construed under the laws of the State of Texas and is performable in Hidalgo County, Texas.

(h) This Agreement may only be amended by a written document executed by the **Owner** and the **Engineer** as provided by Article 7 herein.

ARTICLE 23
Signatory Warranty

The undersigned signatory or signatories for the **Engineer** hereby represent and warrant that the signatory is an officer of the organization for which he or she has executed this Agreement, and that he or she has full and complete authority to enter into this Agreement on behalf of the **Engineer**. The above-stated representations and warranties are made for the purpose of inducing the **Owner** to enter into this Agreement.

IN WITNESS WHEREOF, the **Engineer** and the **Owner** have caused this **Agreement for Professional Services** to be effective as of the _____ day of _____, 2008.

ENGINEER:

RODRIGUEZ ENGINEERING

BY: _____
Leo L. Rodriguez, Jr., P.E./RPLS/President

OWNER:

HIDALGO COUNTY

BY: _____
Juan D. Salinas, County Judge

ATTEST:

_____
Arturo Guajardo, Jr., County Clerk

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

_____
By: Stephen L. Crain

ATTACHMENTS:

EXHIBIT A	-Scope of Services to be Provided by the Owner
EXHIBIT B	-Scope of Services to be Provided by the Engineer
EXHIBIT C	-Work Schedule
EXHIBIT D	-Engineer's Contract Rates
EXHIBIT D1	-Fee Breakdown
EXHIBIT E	-Certificate of Insurance (*Hidalgo County*)

EXHIBIT A

-Scope of Services to be Provided by the Owner

EXHIBIT "A"

Services to be Provided by the Owner

The following provides an outline of the services to be provided by the **Owner** in the development of the **Project**.

The **Owner** will provide to the **Engineer** the following:

1) Authorization to the Engineer to begin work.

2) Payment for work performed by the engineer.

3) Assistance to the Engineer, as necessary, to obtain required data and information from other local, regional, and state agencies that the Engineer cannot easily obtain.

4) Provide any available relevant data that may on file concerning the Project.

5) Provide timely review and decisions in response to the Engineers request for information and/or submittals and deliverables.

6) Attend and participate in progress meetings as required and as coordinated and conducted by the Engineer.

7) Provide assistance to Engineer where necessary and possible with Owner information/resources to ensure project is completed within timely/efficient basis.

EXHIBIT B

-Scope of Services to be
Provided by the Engineer

SCOPE OF SERVICES
HIDALGO COUNTY PRECINCT #1 PAVING IMPROVEMENTS
MILE 16 – MILE 4 TO FM 1015
PREPARED BY: RODRIGUEZ ENGINEERING

Hidalgo County Precinct 1 proposes to construct paving improvements for Mile 16 from Mile 4 to FM 1015. The improvements will consist of 1.0 miles of new construction consisting of 28' wide of caliche base and 24' wide asphalt.

Contract Amount: $30,966.75

Project Tasks

TASK I – PROJECT ORIENTATION AND STARTUP

We propose that an initial project orientation meeting be scheduled so that both the Precinct and our firm may have a clear understanding of the design and construction process, parameters to be used and the final product desired.

TASK II – SURVEY

Necessary field information will be developed by field surveys. Record plans will be used as a guide for the survey work and for the analysis of design alternatives.

TASK III – DESIGN ALTERNATIVES

Various design alternatives will be developed using information secured from ongoing field surveys. The existing record plans of the Precinct will be used as a guide for design evaluations. Each alternative will be evaluated with regard to the Project's goals being met. Cost estimates will be developed for the various alternatives.

TASK IV – DESIGN

This task will assure that the streets designed and incorporated in the plans are adequate for the area.

TASK V – PRELIMINARY PLANS AND ESTIMATES

The preliminary set of plans which will result from Task IV along with cost estimates will be reviewed with Precinct staff for input and guidance.

TASK VI – FINAL PLANS AND SPECIFICATIONS

Final plans, specifications and estimates will be prepared during this task. The output of this task will be the documents necessary for bidding and constructing the project.

TASK VII – BIDDING AND AWARD *(if necessary)*

VII a. Bidding Process

A pre-bid meeting will be scheduled if necessary in order to brief potential bidders and suppliers on the project. Necessary clarifications or addendum will be issued. We will attend the bid opening and assist as the Precinct desires.

VII b. Bid Recommendations

After receipt of bids by the Precinct, we will tabulate the bids and make recommendations in consultation with Precinct staff.

VII c. Award

We will prepare necessary contract documents for execution after award by the Precinct.

TASK VIII – CONSTRUCTION

During this stage we will observe ongoing work, provide construction staking of the contractor and certify periodic payment requests. Upon completion, a final inspection will be scheduled with the contractor and Precinct staff. The outcome of this final inspection will be a certificate of completion or a punch list of items for the contractor to complete.

TASK IX – AS BUILTS

We will provide the Precinct with reproducible "as-builts" of the project along with a diskette on Auto-Cadd.

EXHIBIT "B"

Services to be provided by the Engineer

The following provides an outline of the services to be provided by the **Engineer** in the development of the **Project.**

The ENGINEER will evaluate and design the Paving Improvements as follows:

- Review existing conditions to develop the design criteria;
- Conduct field surveys to obtain information on existing conditions and topography on the proposed roadways;
- Identify alignments and right of ways of proposed roadways;
- Develop typical cross sections for proposed roadways;
- Prepare plans and specifications for the improvements;
- Assist in bidding of the improvements if needed;
- Provide construction staking and periodic inspection services during the construction phase of the improvements.

EXHIBIT C

-Work Schedule

EXHIBIT "C"

Work Schedule

For this Agreement, the **Engineer** shall perform the work identified in EXHIBIT "B" in accordance with the following schedule:

- Conduct field surveys to obtain information on existing roadways.
- Prepare Plans and Specifications
- Provide Construction staking and periodic inspections during construction phase of improvements

The **Engineer** will diligently pursue the completion of this work authorization as defined by the milestones and deliverable due dates outlined in the approved work schedule.

The **Engineer** will inform the **Owner** (in reasonable advance of the delay) should the **Engineer** encounter delays that would prevent the performance of all work in accordance with the established work schedule.

EXHIBIT D

-Engineer's Contract Rates

EXHIBIT "D"

ENGINEER'S CONTRACT RATES

HOURLY RATES:

Principal	$120.00/Hr.
Project Manager	$ 78.00/Hr.
Project Engineer	$ 70.00/Hr.
R.P.L.S.	$ 70.00/Hr.
G.P.S. Survey Crew	$ 95.00/Hr.
3 Man Survey Crew	$ 80.00/Hr.
2 Man Survey Crew	$ 70.00/Hr.
Party Chief	$ 40.00/Hr.
CADD/Designer	$ 48.00/Hr.
Clerical	$ 15.00/Hr.

EXHIBIT D1

-Fee Breakdown

EXHIBIT "D1"
Fee Breakdown

For and in consideration of the **Services** attached to this Agreement and to be rendered by the **Engineer**, the **Owner** shall pay the **Engineer** the **Fee** as defined in this Agreement, and as more particularly identified as follows:

Basic Services Fee	=	**$30,966.76**
Field Surveying	=	25% of the Services Fee
Final Design	=	75% of the Services Fee
Construction Staking	=	25% of the Services Fee

EXHIBIT E

-Certificate of Insurance (*Hidalgo County)*

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY): 08/18/08

PRODUCER South Side Insurance
P.O. Box 1526
McAllen, TX 78505
Phone (956)664-2246 Fax (956)664-2279

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 LEO L. RODRIGUEZ, JR
DBA RODRIGUEZ ENGINEERING
5602 E. IOWA
EDINBURG, TX 78540

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: HARTFORD LLOYDS INS CO	
INSURER B: LANDMARK AMERICAN INS CO	
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

COVERAGES

THE POLICIES OF INSURANCE LISTED 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 LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	☐	**GENERAL LIABILITY** ☑ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS MADE ☑ OCCUR ☐ _____ ☐ _____ GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PROJECT ☐ LOC	61SBMRR4037DX	06/26/08	06/26/09	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	1000000 100000 5000 1000000 2000000 1000000
	☐	**AUTOMOBILE LIABILITY** ☐ ANY AUTO ☐ ALL OWNED AUTOS ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ☐ NON OWNED AUTOS ☐ _____ ☐				COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	
	☐	**GARAGE LIABILITY** ☐ ANY AUTO ☐				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EA ACC / AGG	
	☐	**EXCESS/UMBRELLA LIABILITY** ☐ OCCUR ☐ CLAIMS MADE ☐ DEDUCTIBLE ☐ RETENTION $				EACH OCCURRENCE AGGREGATE	
A		**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER / MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	61WECNV8909	06/26/08	06/26/09	☑ WC STATU-TORY LIMITS ☐ OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	1000000
B		**OTHER** PROFESSIONAL LIABILITY	LHR718318	07/06/08	07/06/09	E & O	1000000

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

CERTIFICATE HOLDER

COUNTY OF HIDALGO
EDINBURG, TX 78539
FAX# 973 7804
ATTENTION NOE MONTES

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

© ACORD CORPORATION 1988

CERTIFICATE OF INSURANCE

SUCH INSURANCE AS RESPECTS THE INTEREST OF THE CERTIFICATE HOLDER NAMED BELOW WILL NOT BE CANCELED OR OTHERWISE TERMINATED WITHOUT GIVING 10 DAYS PRIOR WRITTEN NOTICE TO THE CERTIFICATE HOLDER, BUT IN NO EVENT SHALL THIS CERTIFICATE BE VALID MORE THAN 30 DAYS FROM THE DATE WRITTEN. THIS CERTIFICATE OF INSURANCE DOES NOT CHANGE THE COVERAGE PROVIDED BY ANY POLICY DESCRIBED BELOW.

This certifies that:
- ☒ STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY of Bloomington, Illinois
- ☐ STATE FARM FIRE AND CASUALTY COMPANY of Bloomington, Illinois
- ☐ STATE FARM COUNTY MUTUAL INSURANCE COMPANY OF TEXAS of Dallas, Texas
- ☐ STATE FARM INDEMNITY COMPANY of Bloomington, Illinois, or
- ☐ STATE FARM GUARANTY INSURANCE COMPANY of Bloomington, Illinois

has coverage in force for the following Named Insured as shown below:

NAMED INSURED: LEO L RODRIGUEZ JR, DBA RODRIGUEZ ENGINEERING

ADDRESS OF NAMED INSURED: 15602 E IOWA RD, EDINBURG, TX. 78542-2758

POLICY NUMBER	119-4980-E06-53			
EFFECTIVE DATE OF POLICY	09/09/08-11/06/08			
DESCRIPTION OF VEHICLE (including VIN)	1FTZX17271NB99777	2001 FORD F150		
LIABILITY COVERAGE	☒ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO
LIMITS OF LIABILITY a. Bodily Injury Each Person	$250,000			
Each Accident	$500,000			
b. Property Damage Each Accident	$300,000			
c. Bodily Injury & Property Damage Single Limit Each Accident	N/A			
PHYSICAL DAMAGE COVERAGES a. Comprehensive	☒ YES ☐ NO $ 500 Deductible	☐ YES ☐ NO $ Deductible	☐ YES ☐ NO $ Deductible	☐ YES ☐ NO $ Deductible
b. Collision	☒ YES ☐ NO $ 500 Deductible	☐ YES ☐ NO $ Deductible	☐ YES ☐ NO $ Deductible	☐ YES ☐ NO $ Deductible
EMPLOYERS NON-OWNED CAR LIABILITY COVERAGE	☐ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO
HIRED CAR LIABILITY COVERAGE	☐ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO
FLEET - COVERAGE FOR ALL OWNED AND LICENSED MOTOR VEHICLES	☐ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO	☐ YES ☐ NO

Signature of Authorized Representative	Title	Agent's Code Number	Date
	AGENT	6442/F116	09/18/08

Name and Address of Certificate Holder

COUNTY OF HIDALGO
EDINBURG, TX. 78539
FAX # 973-7804
ATTENTION: NOE MONTES

Name and Address of Agent

JAMES NEWMAN, AGENT
903 PECAN BLVD.
MCALLEN, TX. 78501

INTERNAL STATE FARM USE ONLY:
- ☐ Request permanent Certificate of Insurance for liability coverage.
- ☐ Request Certificate Holder to be added as an Additional Insured.

122429.3 Rev. 07-26-2005

EXHIBIT F

-Supplemental Agreement Form

EXHIBIT "F"

Supplemental Agreement Form

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

SUPPLEMENTAL AGREEMENT NO. ___

TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS **SUPPLEMENTAL AGREEMENT** is made pursuant to the terms and conditions of Article 8 of the Agreement made by and between **HIDALGO COUNTY**, acting herein by and through the **Commissioner's Court**, hereinafter called the "**Owner**", and _____, Professional Engineers of, _____, Texas, hereinafter called the "**Engineer**".

WITNESSETH

WHEREAS, the **Owner** and the **Engineer** executed the **Agreement** on the _____ day of _____ **2007** concerning engineering for _____ (hereinafter referred to as the "**Project**"); and,

WHEREAS, Article ___ of the **Agreement**, (article title), establishes _____; and,

WHEREAS, it has become necessary to amend the contract to _____

_____

A. AGREEMENT

NOW THEREFORE, premises considered, the **Owner** and the **Engineer** agree that said **Agreement** is amended as follows:

1. Article ___ of the **Agreement**, (article title), is revised to

_____

_____

_____

_____

_____

_____

_____

All other provisions are unchanged and remain in full force and effect.

IN WITNESS WHEREOF, the Engineer and the Owner have caused this Supplemental Agreement to the Agreement for Professional Services to be executed as of the _____ day of _____, 20__.

THE ENGINEER:
ENGINEER

BY:_____

THE OWNER:
HIDALGO COUNTY

BY:_____
Juan D. Salinas III, County Judge

LIST OF ATTACHMENTS

(as required)

AI-11427 **19.B.3.**

SOQ - ENGINEER SERVICES
CC REGULAR

Date: 09/30/2008
Submitted By: Laura Moya, PURCHASING DEPT.
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Prct. 1

Information

CAPTION

A. Requesting exemption from competitive bidding requirements under the Texas Local Government Code, Section 262.024 (A)(4) a professional service for engineering services for Hidalgo County Precinct No 1;
B. Presentation of scoring grid (for the purposes of ranking by CC) of the firms graded & evaluated through the County's approved "pool" of engineers in connection with professional engineering services required for Hidalgo County Precinct No 1 in connection with CAPTIAL IMPROVEMENT PROJECTS;

1st._____; 2nd._____; 3rd._____;

C. Authority for the Purchasing Department to negotiate a professional Engineering Services Contract with the No.1 ranked firm of _____ for the provision of Engineering Services for the Hidalgo County Precinct No 1 in connection with CAPITAL IMPROVEMENT PROJECTS;
D. Requesting exemption from competitive bidding requirements under the Texas Local Government Code, Section 262.024 (A)(4) a professional service for engineering services for Hidalgo County Precinct No 1;
E. Presentation of scoring grid (for the purposes of ranking by CC) of the firms graded & evaluated through the County's approved "pool" of engineers in connection with professional Engineering Services required for Hidalgo County Precinct No 1 in connection with FM 493 from Business 83, South to US 281;

1st._____; 2nd._____; 3rd._____;

F. Authority for the Purchasing Department to negotiate a professional Engineering Services Contract with the No.1 ranked firm of _____ for the provision of Engineering Services for the Hidalgo County Precinct No 1 in connection with FM 493 from Business 83, South to US 281.

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1336-431-00-121-041-0-731
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

CO's 2006- Pct. 1- Roads- Available Balance as of 9-26-08 $382,042.92.

Attachments

Link: GRID

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 05:45 PM	APRV
2	Budget & Management	Veronica Lopez	09/26/2008 07:41 AM	APRV
3	Ivan Cantu	Ivan Cantu	09/26/2008 07:46 AM	APRV
4	Auditor's Office		09/26/2008 06:03 PM	PEND

Form Started By: Laura Moya — Started On: 09/25/2008 03:17 PM

Final Approval Date: 09/26/2008

HIDALGO COUNTY Precinct No 1

FOR

Capital Improvement Projects Engineer Services

GRID

Engineer Firms

	L & G Engineer	TEDSI Infrastructure	DOS Logistics
Evaluator No 1	**98**	**93**	**90**
Total Scores			
RANKING by Commissioner's Court			

GRID

HIDALGO COUNTY Precinct No 1

FOR

FM 493 from Business 83, South to US 281

GRID

Engineer Firms

	L & G Engineer	Tedsi Infrastructure	Dos Logistics
Evaluator No 1	**98**	**93**	**90**
Total Scores			
RANKING by Commissioner's Court			

AI-11372 **19.C.1.**

Approval of Specifications for: Hidalgo County Precinct No. 2 -Construction of McColl Road Irrigation Canal Siphon

CC REGULAR

Date: 09/30/2008
Submitted By: Moises Salazar, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Prct. 2

Information

CAPTION

Requesting approval of specifications developed and drafted by project engineering firm R. Gutierrez Engineering for: "Hidalgo County Precinct No. 2-Construction of McColl Road Irrigation Canal Siphon" (RFB No. 2008-334-10-22-MSS)

BACKGROUND

Proposed Schedule of Events:

Advertisements:
10/04/08
10/11/08

Pre-Bid Conference:
10/15/08

Bid Openings: 10/22/08

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1202-431-00-122-028-0-731
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Available balance is $8,359.80 as of 9/25/08.

Attachments

Link: Specifications

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 12:18 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 02:56 PM	APRV
3	Dale Kennan	Dale Kennan	09/25/2008 04:30 PM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 03:29 PM	APRV

5	Court Administrator	Angela Garcia	09/26/2008 04:36 PM	APRV

Form Started By: Moises Salazar

Started On: 09/24/2008 03:30 PM

Final Approval Date: 09/26/2008

Bid No: 2008-334-10-22-MSS	Buyer: Moises Salazar	Tel. No: (956) 318-2626

REQUEST FOR BIDS

HIDALGO COUNTY PRECINCT NO. 2

"HIDALGO COUNTY – CONSTRUCTION OF McCOLL ROAD IRRIGATION CANAL SIPHON"

BID OPENING DATE: OCTOBER 22, 2008

Contact Person:

Martha L. Salazar, CPPB,Purchasing Agent
Hidalgo County Purchasing Department
2812 S. Business 281
Edinburg, Texas 78539

CONSTRUCTION OF
McCOLL ROAD IRRIGATION CANAL SIPHON
For
HIDALGO COUNTY PRECINCT TWO

TABLE OF CONTENTS

DESCRIPTION	PAGE
COVER SHEET	1
TABLE OF CONTENTS	2
REQUEST FOR BIDS	3 – 4
INSTRUCTION FOR BIDDERS	5 - 10
BIDDER'S ACKNOWLEDGEMENT	11
BID PROPOSAL FORM	12-17
BID BOND FORM	18-19
NON-COLLUSION AFFIDAVIT OF PRIME BIDDER	20
SAMPLE CONTRACT	21-25
PAYMENT BOND FORM	26-27
PERFORMANCE BOND FORM	28-29
OFFICE OF THE SECRETARY OF LABOR	29A-29E
DAVIS-BACON WAGE RATES	30-32
CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND INELIGIBILITY	33
DISCLOSURE OF CONFLICT OF INTEREST	34 – 35
PURHASING DEPARTMENT BIDDER/VENDOR APPLICATION	36
HISTORICALLY UNDERUTILIZED BUSINESS (HUB) DECLARATION	37
REQUEST FOR TAXPAYER ID NUMBER & CERTIFICATION	38-41
INSURANCE REQUIREMENT ACKNOWLEDGEMENT	42
PROJECT REQUIREMENTS ACKNOWLEDGEMENT	43
SALES TAX AND LOCAL SALES TAX CERTIFICATE	44
GENERAL CONDITIONS	00700-1 thru 00700-47
SUPPLEMENTAL GENERAL CONDITIONS	45
STANDARD SPECIFICATIONS, SPECIAL SPECIFICATIONS, SPECIAL PROVISIONS TO STANDARD SPECIFICATIONS, AND GENERAL NOTES	46

REQUEST FOR BIDS

TO SUPPLY HIDALGO COUNTY PRECINCT NO. 2 with sealed bids on **" CONSTRUCTION OF McCOLL ROAD IRRIGATION CANAL SIPHON"**

A BIDDER'S BOND from a reliable surety company licensed to operate in State of Texas or certified Cashier's Check payable without recourse to the County of Hidalgo, for the amount of not less that **5%** of the total bid shall accompany the bid as guarantee that, if awarded the contract, the bidder will enter into a contract with the County of Hidalgo. Payment and Performance Bonds shall be executed except in the event into a single payment contract with the County of Hidalgo in lieu of a Performance Bond. In the event the total amount bid is $25,000 or less, the successful contract has the option to enter into a single payment contract with the County of Hidalgo in lieu of a Payment and Performance Bond.

Bid Packets may be obtained from the office of **R. GUTIERREZ ENGINEERING CORPORATION, 130 East Park, Pharr, Texas 78577,** Phone No. **(956)782-2557** for the amount of **$75.00.** General and/or Prime Contractors submitting bids and/or proposals to the County of Hidalgo shall be **non-refundable**.

PRE-BID CONFERENCE is scheduled for **WEDNESDAY, OCTOBER 15, 2008** at **2:00 P.M.** at the **HIDALGO COUNTY NEW ADMINISTRATION BUILDING - PURCHASING DEPARTMENT, 2812 S. BUSINESS 281, EDINBURG, TEXAS 78539.**

UPON SUBMITTING SEALED BID, bidders are required to properly identify (handwritten, typed or printed) sealed envelope and/or packet as follows: Bidder's name and address on the upper left hand corner of the sealed envelope and/or package and Bid No.: **2008-334-10-22-MSS – "HIDALGO COUNTY - CONSTRUCTION OF McCOLL ROAD IRRIGATION CANAL SIPHON"** on the lower left hand corner of sealed envelope and/or packet. **OVERNIGHT MAIL MUST ALSO BE PROPERLY LABELED ON THE OUTSIDE OF EXPRESS ENVELOPE OR PACKAGE.**

The sealed bid must contain one (1) original and three (3) copies of bid and must be clearly identified and addressed for delivery to:

Martha L. Salazar, CPPB, Hidalgo County Purchansing Agent
Hidalgo County Purchasing Department

US Postal Mail/Courier Address:
Hidalgo County New Administration Building
2812 S. Business Hwy 281, Edinburg, Texas 78539
Physical Location:
Hidalgo County New Administration Building
2802 S. Business Hwy 281 (Southeast of Canton Rd & Business 281)
Edinburg, Texas 78539

Sealed bids will be accepted until **9:30 a.m. on Wednesday, OCTOBER 22, 2008,** at which time they will be opened in the Hidalgo County Purchasing Department Conference Room at **Physical Location: 2802 S. Business Hwy 281, Hidalgo County New Administration Building, Edinburg, Texas 78539.** NO FACSIMILES OR LATE ARRIVALS WILL BE ACCEPTED. ANY BID RECEIVED AFTER THAT TIME WILL NOT BE OPENED AND WILL BE RETURNED.

Attention is called to the fact that not less than, the federally determined prevailing **(Davis-Bacon and Related Acts)** wage rate, as issued and contained in the contract in the contract documents, must be paid on this project. In addition, the successful bidder must ensure that employees and applicants for

employment are not discriminated against because of race, color, religion, sex, age, disability or national origin.

BIDS MAY BE HELD by the County of Hidalgo for a period not to exceed sixty (60) days from the date of the opening of bids for the purpose of reviewing the bids and investigating the qualifications of bidders, prior to awarding of the contract.

THE COUNTY reserves the right to refuse any/all bids and to waive any/all formalities or technicalities, or to accept the bid considered the best and most advantageous to the County.

BY ORDER OF THE COMMISSIONER'S COURT OF HIDALGO COUNTY, TEXAS on this the **19th** day of **AUGUST, 2008**.

MARTHA L. SALAZAR / CPPB
HIDALGO COUNTY PURCHASING AGENT

REPORT ROAD HAZARDS @ 1-866-HCR-SAFE OR 1-866-427-7233

INSTRUCTION TO BIDDERS

LEGAL NOTICE **Bid No: 2008-334-10-22-MSS**

1. Sealed bids will be received for **"HIDALGO COUNTY - CONSTRUCTION OF McCOLL ROAD IRRIGATION CANAL SIPHON"** in accordance with the specifications attached as Exhibit "A" hereto. Bids should address all specifications set forth. Bidders may suggest substitutions of features, which they feel would be in the best interest of Hidalgo County ("County"). Strong rationale must be presented for any deviation from the specifications. Hidalgo County reserves the right to reject the deviation and its effect on the overall bid.

2. One (1) original and Three (3) copies of all bids are required with the bidders name and return address clearly typed/printed on upper left hand corner and the proper notation clearly typed/printed on the lower left hand corner of the envelope and/or package: **"BID NUMBER 2008-334-10-22-MSS – HIDALGO COUNTY - CONSTRUCTION OF McCOLL ROAD IRRIGATION CANAL SIPHON"** and in County's Purchasing Department, 2812 S. Business 281, Edinburg, Texas, **on or before 9:30 a.m., WEDNESDAY, OCTOBER 22, 2008. NO FACSIMILES OR LATE ARRIVALS WILL BE ACCEPTED. ANY BID RECEIVED AFTER THAT TIME WILL NOT BE OPENED AND WILL BE RETURNED. OVERNIGHT MAIL MUST ALSO BE PROPERLY LABELED ON THE OUTSIDE OF EXPRESS ENVELOPE OR PACKAGE IN REFERENCE TO BID.**

3. Hidalgo County reserves the right to: **A.** separate and accept, or eliminate any item(s) listed under this bid that it deems necessary to accommodate budgetary and/or operational requirements. **B.** reject any or all bids submitted and further reserves the right to design the evaluation criteria to be used in selecting the lowest and best bid for approval.

4. The Bidder shall not substitute items named in the bid without the express written consent of Hidalgo County. Failure of the delivered item(s) to perform as specified, or failure to meet the stated delivery schedule shall release Hidalgo County from all obligations to the contracting party with regard to the item(s) in question. In such event, County may elect to award the contract to the next-lowest responsible bidder, or to reject all bids and re-advertise.

5. For work to be performed at an Hidalgo County owned or operated location, each bidder shall, in its sole discretion, visit the job site before preparing the bid and thoroughly familiarize himself/herself with existing conditions. Bidder should take field dimensions and note all circumstances, which affect the dollar amount of the bid.

6. Descriptive specifications are referenced in this document to indicate the general kind and quality of equipment desired by Hidalgo County. Due to various styles and models of equipment, bidders are required to include illustrations, specifications, explanation of warranties, and service data with their bid including catalogue numbers and any necessary references.

7. No bid may be withdrawn within thirty (30) days from the scheduled time to open bids.

8. Proposed prices are to remain firm for a minimum of ninety (90) days after bid opening.

9. Any interpretations, amendments, corrections or changes to this bid document must be in a written addendum and signed by the County Judge or his designee. Addenda will be mailed to all who are known to have received a copy of the Request for Bid. Bidders shall acknowledge receipt of all addenda as a part of their bid.

10. County reserves the right to accept or reject any or all bids.

11. Discrepancies between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum. Discrepancies between words and figures will be resolved in favor of the words.

12. Costs are to be net F.O.B., County Prepaid.

13. Hidalgo County is exempt from Federal Excise Tax, State Tax and Local Tax. Do not include tax in cost figure. If it is determined that tax was included in the cost figures it will not be included in the tabulation of any awards. Tax exemption certificates will be furnished upon request.

14. Funds for this procurement have been provided through the County budget for this fiscal year only. County, on an annual basis, has the right to reconsider a contract during the budget process for ensuing years if financial resources of County are insufficient to meet the liabilities of said contract. The award of a bid or contract hereunder will not be construed to create a debt of the County, which is payable out of funds beyond the current fiscal year.

15. DELIVERY INSTRUCTIONS:

- No deliveries accepted after 3:00 P.M., Monday-Friday.
- At least seventy- two (72) hours prior notice of delivery must be given to Martha L. Salazar, Purchasing Agent before delivery will be accepted.
- If you need additional information call the office listed below:

  Hidalgo County Purchasing Department
  Martha L. Salazar, Purchasing Agent
  (956) 318-2626

16. BILLING AND PAYMENT INSTRUCTIONS:

- Invoices must include:
  a) Name and address of successful bidder
  b) Name and address of receiving department or official
  c) Purchase Order Number (if any)
  d) Notation **" CONSTRUCTION OF McCOLL ROAD IRRIGATION CANAL SIPHON"** Descriptive information as to the items or services delivered, including product code, item number, quantity, etc.

- Discount payments will be considered when offered.

- Contact person for Billing and Payment questions:

  Charlie Contreras, Administrative Assistant
  Hidalgo County Precinct # 2
  302 E. State
  Pharr, Texas 78577

17. Schedule of Events

Pre-Bid Meeting, 2:00 PM	**OCTOBER 15, 2008**
Bid Opening, 9:30 AM	**OCTOBER 22, 2008**
Award of Contract	_____, 2008
Commence Work or Deliver Products	_____, 2008

18. Bid or Performance Bond; Payment Under Contract:

- If the contract proposed is for the construction of public works or is for a contract exceeding $100,000 all bidders shall furnish a good and sufficient bid bond in the amount of five percent of the total contract price, A bid bond must be executed with a surety company authorized to do business in Texas.

- Together with the signing of a contract or issuance of a purchase order following the acceptance of a bid, and prior to commencement of the actual work, the bidder shall furnish a performance bond to the County for the full amount of the contract, if that contract exceeds $50,000.

- If the contract is for $50,000 or less, no money will be paid to the contractor until completion and acceptance of the work or the fulfillment of the purchase obligation to the County, and, if applicable, the receipt by County of satisfactory evidence that all subcontractors and material man have been paid.

- If a contract is for the construction, alteration or repair of public buildings or public works, the contractor shall provide a payment bond for a contract in excess of Twenty Five Thousand Dollars ($25,000.00), as required by Tex. Govt. Code Ch. 2253.

- For requirements contracts, bond requirements are determined by applying the proposed unit price to the estimated quantities included in the specifications.

19. Ethical Standards:

- It shall be a breach of ethics to offer, give or agree to give any elected official, department head or employee, or former elected official, department head or employee, of the County, or for any elected official, department head or employee or former elected official, department head or employee of the County, to solicit, demand, accept or agree to accept from another person, entity or organization, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program

requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before any department or agency of the County.

- It shall be a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for the County, or any person associated therewith, as an inducement for the award of a subcontract or order.

- No public official shall have an interest in a contract awarded hereunder except in accordance with Tex. Loc. Govt. Code Chapter 171.

20. Disclosure of Conflict of Interest

Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor, person, consultant or contractor considering doing business with Hidalgo County ("the County") to disclose in the Conflict of Interest Questionnaire (the "CIQ") attached as Exhibit D, the vendor, person, consultant or contractor's affiliation or business relationship that might cause a conflict of interest with the County. By law, the CIQ must be filed with the Hidalgo County Clerk's Office no later than the seventh business day after the date the person becomes aware of facts that require that statement to be filed. The disclosure requirement applies to a person or business who contracts or seeks to contract with Hidalgo County for the sale or purchase of property, goods or service. Any purchase order or contract resulting from this process shall be considered null and void if the successful bidder fails to comply with Texas Local Government Code Chapter 176. Vendors, consultants, contractors and others who desire to conduct business with Hidalgo County are encouraged to refer to Texas Local Government Code Chapter 176 for the details of this law. An offense under Texas Local Government Code Chapter 176 is a Class C Misdemeanor.

Please Submit completed CIQ forms to the Hidalgo County Clerk's Office located at 100 N. Closner, Edinburg, Texas 78539-Hidalgo County Courthouse

COMPLETION AND SUBMISSION OF FORM CIQ IS THE SOLE RESPONSIBILITY OF THE PROSPECTIVE BIDDER.

21. If, during the life of any contract or bid awarded, the successful bidder's net prices generally available to other customers for items awarded herein are reduced below the contracted price, it is understood and agreed that the benefits of such reduction shall be extended to County.

22. Bids, and all goods and services provided thereunder, shall comply with all federal, state and local laws concerning this type(s) of goods and/or services.

23. Minimum Standards For Responsible Prospective Bidders: A prospective bidder must affirmatively demonstrate bidder's responsibility. A prospective bidder, by submitting a bid, represents to County that it meets the following requirements:

- Possess or is able to obtain adequate financial resources as required to perform under the bid;
- Be able to comply with the required or proposed delivery schedule;
- Have a satisfactory record of performance;

- Have a satisfactory record of integrity and ethics;
- Be otherwise qualified and eligible to receive an award.

24. Successful bidder will pay or cause to be paid, without cost or expenses to County, all FICA, FUTA/SUTA and Federal Income Withholding Taxes of all employees, and all wages and benefits as required by Federal or State law. Successful bidder's officers, agents and/or employees will not be entitled to any benefits of an employee or elected official of County, including, but not limited to, benefits associated with County's civil service system.

25. 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

26. County reserves the right to enforce performance of any contract awarded hereunder in any manner prescribed by law or deemed to be in the best interest of the County in the event of breach or default by successful bidder; County reserves the right to terminate any contract immediately in the event a successful bidder fails to:

    A. Meet schedules;
    B. Pay any required fees or taxes; or
    C. Otherwise perform in accordance with the specifications.

27. Successful bidder shall defend, indemnify and save harmless County and all its elected officials, officers, agents and employees from all suits, actions, or other claims of any character, name and description brought for or on account of any injuries or damages received or sustained by any person, persons, or property on account of any negligent act or fault of the successful bidder, or of any agent, employee, subcontractor or supplier in the execution of, or performance under, any contract which may result from bid award. Successful bidder indemnifies and will indemnify and save harmless County from liability, claim or demand on their part, agents, servants, customers, and/or employees whether such liability, claim or demand arise from event or casualty happening or within the occupied premises themselves or happening upon or in any of the halls, elevators, entrances, stairways or approaches of or to the facilities within which the occupied premises are located. Successful bidder shall pay any judgment with costs which may be obtained against County growing out of such injury or damages, and shall, upon request, provide a defense to County by counsel reasonably acceptable to County. Successful bidder's indemnity hereunder shall include, but is not limited to, claims relating to patent, copyright or trademark infringement, and the like, arising out of the goods or services provided by successful bidder.

28. Successful bidder shall warrant that all items/services shall conform with the specifications and/or all warranties provided under the Uniform Commercial Code and be free from all defects in material, workmanship and the like. Items supplied under a contract pursuant to this Request for Bids shall be subject to County's approval. Items found to be defective or not meeting specifications shall be replaced by successful bidder within two business days at no expense to County. Items not picked up within one (1) week after notification shall be deemed a donation to County and may be used or disposed of at County's discretion and without waiver of any other rights of County as to the item's nonconformity.

29. This document and any disputes arising hereunder shall be governed and construed according to the laws of the State of Texas, and will be performable exclusively in Hidalgo County, Texas.

30. The successful bidder shall not assign, sell, transfer or convey its rights under any awarded contract, in whole or in part, without the prior written consent of County.

31. The successful bidder awarded the contract shall furnish proof of insurance, which will also include any subcontractor that is subcontracted by the bidder in at least the following limits, to be in place prior to providing any services under this Contract and to continue at all times in force in effect during the term of this Contract:

    1. Automobile liability insurance policy with limits of at least Three Hundred Thousand Dollars ($300,00.00) per person and $500,000.00 per occurance, consistent with potential exposure to District under the Texas Tort Claims Act. Coverage should injury to or death of persons and property damage claims (with limits up to $500,000.00) arising out of the services provided to District hereunder.

    2. Uninsured/Underinsured motorist coverage in an amount equal to the bodily injury limits set forth immediately above;

    3. A Five Hundred Thousand Dollar ($500,000.00) Comprehensive General Liability insurance policy providing additional coverage to all underlying liabilities of District consistent with potential exposure of District under the Texas Tort Claims Act;

    4. Workers compensation insurance in amounts established by Texas law, unless the Bidder is specifically exempted from the Texas Worker's Compensation Act, Texas Labor Code Chapter 401, et. Seq.

Certificates of insurance naming Hidalgo County as an additional insured shall be submitted to County for approval prior to any services being performed by Contractor. Each policy of insurance required hereunder shall extend for a period equivalent to, or longer than the term of the Contract, and any insurer hereunder shall be required to give at least thirty (30) days written notice to the County prior to the cancellation of any such coverage on the termination date, or otherwise. This Contract shall be automatically suspended upon the cancellation, or other termination, of any required policy of insurance hereunder, and such suspension shall continue until evidence of adequate replacement coverage is provided to County. If replacement coverage is not provided within thirty (30) days following suspension of the Contract, this Contract shall automatically terminate.

BIDDER'S ACKNOWLEDGMENT

Bid for
CONSTRUCTION OF
"HIDALGO COUNTY –
McCOLL ROAD IRRIGATION CANAL SIPHON"
BID NO: 2008-334-10-22-MSS

To: Martha L. Salazar. Purchasing Agent
Hidalgo County Purchasing Department
2812 S. Business 281
Edinburg, Texas 78539

In accordance with the Specifications, and subject to all laws and regulations of the United States and state and local laws, the undersigned bidder proposes and commits to furnish all labor, equipment, material, software and services as set forth in the documents hereinbefore mentioned. The undersigned bidder further agrees, upon acceptance of its bid, to execute a contract and/or Purchase Order issued by Hidalgo County for performing and completing the work described in the Specifications within the time stated and for the prices proposed in the documents attached hereto and made a part hereof.

Bidder acknowledges receipt of all of the pages of the documents referenced in the Invitation to Bid Checklist presented in connection with this procurement. Bidder understands that Hidalgo County reserves the right to reject any or all bids and further reserves the right to design the evaluation criteria to be used in selecting the lowest and best bid.

Bidder agrees that this bid shall be good and may not be withdrawn for a period of ninety (90) calendar days after the scheduled closing time for receiving bids, as contained in the Specifications.

Respectfully submitted,

Bidder: _____

Address: _____

By: _____

Printed Name: _____

Title: _____

BID PROPOSAL FOR
CONSTRUCTION OF
"HIDALGO COUNTY -
McCOLL ROAD IRRIGATION CANAL SIPHON"
BID NO: 2008-334-10-22-MSS

Martha L. Salazar. Purchasing Agent
Hidalgo County Purchasing Department
2812 S. Business 281
Edinburg, Texas 78539

Dear Ms. Salazar:

Pursuant to the foregoing **"Advertisement for Bids", N**otice and Instructions to Bidders for **"HIDALGO COUNTY - CONSTRUCTION OF McCOLL ROAD IRRIGATION CANAL SIPHON"** located **Hidalgo County Precinct 2,** the undersigned **Bidder** having examined the plans and specifications with related documents and carefully read same, and having visited the site of the proposed work, hereby proposes to furnish all necessary superintendence, labor, machinery, equipment, tools, materials, and supplies to construct the project in accordance with the contract documents within the time set forth herein and at the price stated below and noted in the following pages (Note: Only those bid items identified shall be considered as pay items, all other work shall be incidental to bid items):

Estimated quantities are provided for information only.

BID PROPOSAL FORM

HIDALGO COUNTY PRECINCT NO. 2

HIDALGO COUNTY - CONSTRUCTION OF McCOLL ROAD IRRIGATION CANAL SIPHON

Item Number	Estimated Quantity	Unit	Item Description with Unit Bid Price in Words	Unit Price (in figures)	Total (in figures)
132	3,453.00	CY	Embankment (Dens. Cont.) (Ty C) _____ Dollars and _____ Cents Per Cubic Yard	$ _____	$ _____
400	585.00	CY	Cement Stabilized Backfill _____ Dollars and _____ Cents Per Cubic Yard	$ _____	$ _____
400	357.00	CY	Cement-Gravel-Sand Bedding _____ Dollars and _____ Cents Per Cubic Yard	$ _____	$ _____
402	482.00	LF	Trench Excavation Protection _____ Dollars and _____ Cents Per Linear Foot	$ _____	$ _____
420	22.00	CY	Concrete (Cl C) (Concrete Collar) _____ Dollars and _____ Cents Per Cubic Yard	$ _____	$ _____
432	246.00	CY	Concrete Riprap (CL A) (5") _____ Dollars and _____ Cents Per Cubic Yard	$ _____	$ _____
496	80.00	LF	Remove Structure (Conc Box Culvert) _____ Dollars and _____ Cents Per Linear Foot	$ _____	$ _____

BID PROPOSAL FORM

HIDALGO COUNTY PRECINCT NO. 2

HIDALGO COUNTY - CONSTRUCTION OF McCOLL ROAD IRRIGATION CANAL SIPHON

Item Number	Estimated Quantity	Unit	Item Description with Unit Bid Price in Words	Unit Price (in figures)	Total (in figures)
502	3.00	MO	Barricades, Signs & Traffic Handling _____ Dollars and _____ Cents Per Month	$ _____	$ _____
4035	660.00	LF	RCLHPP (72")(ASTM C-361)(CL D-25)(USBR Ty R-4 Joints) _____ Dollars and _____ Cents Per Linear Foot	$ _____	$ _____
4035	304.00	LF	RCLHPP (72")(ASTM C-361)(CL D-25)(USBR Ty R-4 Joints)(Install Only) _____ Dollars and _____ Cents Per Linear Foot	$ _____	$ _____
			_____ Dollars and _____ Cents Total Base Bid Amount	$ _____	$ _____

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Bid Proposal From (Continued)

The undersigned **Bidder** agrees to commence work after written notice to commence work and to substantially complete the work on which he has bid 75 calendar days. The Contractor further agrees to pay, as liquidated damages, the sum of $200.00 for each consecutive calendar day thereafter as hereinafter provided in the Construction Contract.

Enclosed with this Proposal is a Cashier's Check or Certified Check for _____ Dollars (_____) or a Bid Bond in the sum of _____ Dollars (_____), which is agreed shall be collected and retained by the **Owner** under the conditions hereof within ten (10) days after the date this proposal is accepted; then otherwise the said bond or check shall be returned to the undersigned upon demand.

Receipts of the following Addenda on these dates shown is acknowledged:

	DATE	ACKNOWLEDGE
#1.	_____	_____
#2.	_____	_____
#3.	_____	_____
#4.	_____	_____

Respectfully submitted,

_____
Name of Firm

By: _____
Signature Date

THIS PROPOSAL MUST BE SIGNED BY AN OFFICER OF REPRESENTATIVE DULY AUTHORIZED BY THE BIDDER.

_____
Title

_____
Address

_____

(Seal, if BID is by a Corporation)

_____
Telephone Number

Attest _____

BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned, _____ _____ as Principal, and _____ as Surety, are hereby held and firmly bound unto _____ _____ as owner in the penal sum of _____for the payment of which, will and truly to be made, we hereby jointly and severally bind ourselves, our heir, executors, administrators, successors and assigns.

Signed this _____ day of _____, 2008.

The conditions of the above obligation is such that whereas the Principal has submitted to _____ _____ certain Bid, attached hereto and hereby made a part hereof to enter into a contract in writing, for the _____ _____ _____

NOWTHEREFORE,

(a) If said Bid shall be rejected, or in the alternate,

(b) If said Bid shall be accepted and the Principal shall execute and deliver a contract in the Form of Contract attached hereto (properly completed in accordance with said Bid) and shall furnish a bond for his faithful performance of said contract, and for the payment of all persons performing labor or furnishing materials in connection therewith, and shall in all other respects perform the agreement created by the acceptance of said Bid.

then this obligation shall be void, otherwise the same shall remain in force and effect; it being expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees that the obligations of said Surety and its bond shall be in no way impaired or affected by any extension of the time within which the Owner may accept such Bid; and said Surety does hereby waive notice of any such extension.

IN WITNESS, WHEREOF, the Principal and the Surety have hereunto set their hands and seals, and such of them as are corporations have caused their corporate seals to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

Principal _____ (L. S.)

Surety _____

SEAL

By: _____

NON-COLLUSION AFFIDAVIT OF PRIME BIDDER

State of Texas
County of Hidalgo

_____ being first duly sworn, deposes and says that

(1) He is _____, of _____ the Bidder that has submitted the attached bid;

(2) He is fully informed respecting the preparation and contents of the attached Bid and of all pertinent circumstances respecting such bid:

(3) Such bid is genuine and is not a collusive or sham Bid:

(4) Neither the said Bidder nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contract for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm or person to fix the price or prices in the attached Bid or of any other Bidder, or to fix any overhead, profit or cost element of the Bid price of any other Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement any advantage against the Owner or any person interested in the proposed Contract; and

(5) The price or prices quoted in the attached Bid are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

(Signed) _____

_____
(Title)

Subscribed and sworn to before me this _____

day of _____, 2008

_____
Notary Public

My Commission expires: _____

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

CONSTRUCTION CONTRACT
C-08-334-__-__

This Agreement, entered into this ____ day of _____, 2008 by and between Hidalgo County (hereinafter called the "OWNER," and _____. (a Texas corporation), of County of Hidalgo, and State of Texas, hereinafter called "CONTRACTOR".

WITNESSETH

That for and in consideration of the payments and agreement hereinafter mentioned, to be made and performed by the OWNER, the CONTRACTOR hereby agrees with the OWNER to commence and complete the construction described as follows:

CONSTRUCTION OF McCOLL ROAD IRRIGATION CANAL SIPHON

Hereinafter called the project, for the sum of _____ Dollars and _____ Cents and all extra work in connection therewith, under the terms and stated in the General and Special Conditions of the Contract; and at his (its or their) own proper cost and expense to furnish all the materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, and other accessories and services necessary to complete the said project in accordance with the conditions and prices stated in the Proposal, the General Conditions and Special Conditions printed or written explanatory matter thereof, the specifications and contract documents therefore as prepared by R. Gutierrez Engineering Corporation, entitled the Architect/Engineer, and as enumerated in Paragraph 1.01.A.12 of the General Conditions, all of which are made a part hereof and collectively evidence and constitute the contract.

The CONTRACTOR hereby agrees to commence work under this contract on or after a date to be specified in written "Notice to Proceed" of the OWNER and to fully complete the project within 75 consecutive calendar days thereafter. The CONTRACTOR further agrees to pay, as liquidated damages, the sum of $200.00 for each consecutive calendar day thereafter.

The OWNER agrees to pay the CONTRACTOR in current funds for the performance of the contract, subject to additions and deductions, as provided in the General Conditions of the contract, and to make payments on account thereof as provided in Paragraphs 14.02.C and 14.07.C of the General Conditions.

IN WITNESS WHREOF, the parties to these present have executed this contract in four (4) counterparts, each of which shall be deemed an original, in year and day first above mentioned.

APPROVED BY COMMISIONERS COURT ON, _____, 2008.

CONTRACTOR: _____

Name of Firm: _____

Address: _____

Fed. I.D. # / S.S.##: _____

STATE OF TEXAS

COUNTY OF HIDALGO

This instrument was acknowledged before me on this the _____day of _____,

2008, by _____Of and on behalf of _____
(Title) (A corporation)

_____
Notary Public-Signature

APPROVED AS TO FORM:

BY:_____
Atlas & Hall, LLP

ATTEST:

_____
Arturo Guajardo, Jr., County Clerk

COUNTY OF HIDALGO:

_____
Juan D. Salinas, III, County Judge

EXHIBIT "A"

SPECIFICATIONS

Exhibit "A" consists of the entire bound document as prepared by R. GUTIERREZ ENGINEERING CORPORATION for HIDALGO COUNTY PRECINCT TWO – **CONSTRUCTION OF "HIDALGO COUNTY - McCOLL ROAD IRRIGATION CANAL SIPHON" – Bid No: 2008-334-10-22-MSS.**

EXHIBIT "B"

PAYMENT SCHEDULE

Payment Schedule shall be in accordance with "Bid Proposal for Hidalgo County Precinct Two – **CONSTRUCTION OF "HIDALGO COUNTY - McCOLL ROAD IRRIGATION CANAL SIPHON" – Bid No: 2008-334-10-22-MSS**, included herewith, including Item 1 and any and all related provisions contained herewith.

EXHIBIT "C "

Insurance Requirements

The Bidder awarded the contract shall furnish proof of insurance, which will also include any subcontractor that is subcontracted by the bidder in at least the following limits, to be in place prior to providing any services under this Contract and to continue at all times in force in effect during the term of this Contract:

1. Automobile liability insurance policy with limits of at least Three Hundred Thousand Dollars ($300,000.00) per person and $500,000.00 per occurrence, consistent with potential exposure to County under the Texas Tort Claims Act. Coverage should injury to or death of persons and property damage claims (with limits up to $500,000.00) arising out of the services provided to County hereunder;

2. Uninsured/Underinsured motorist coverage in an amount equal to the bodily injury limits set forth immediately above;

3. A Five Hundred Thousand Dollar ($500,000.00) Comprehensive General Liability insurance policy providing additional coverage to all underlying liabilities of County consistent with potential exposure of County under the Texas Tort Claims Act;

4. Workers compensation insurance in amounts established by Texas law, unless the Bidder is specifically exempted from the Texas Workers' Compensation Act, Texas Labor Code Chapter 401, et. seq.

Certificates of insurance naming County as an additional insured shall be submitted to County for approval prior to any services being performed by Contractor. Each policy of insurance required hereunder shall extend for a period equivalent to, or longer than the term of the Contract, and any insurer hereunder shall be required to give at least thirty (30) days written notice to the County prior to the cancellation of any such coverage on the termination date, or otherwise. This Contract shall be automatically suspended upon the cancellation, or other termination, of any required policy of insurance hereunder, and such suspension shall continue until evidence adequate replacement coverage is provided to County. if replacement coverage is not provided within thirty (30) days following suspension of the Contract, this Contract shall automatically terminate.

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS, that _____
_____
_____
(hereinafter called the Principal(s), as Principal(s), and _____
_____
_____hereinafter called the Surety(s), as Surety(s), are held and firmly bound onto _____
_____ (hereinafter called the Oblige), in the amount of _____
_____
Dollars ($_____) for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with the Oblige, dated the ____ _____day of _____, 2008, for the _____
_____
_____
Which contract is hereby referred to and made a part hereof as fully and to the same extent as if copies at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall pay all claimants supplying labor and material to him or a subcontractor in the prosecution of the work provided in said contract in accordance with the plans, specifications and contract documents, then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Texas Government Code, Section 2253.021(c) for the beneficiaries described by such sub-section, and provisions of said Section to the same extent as if it were copied in length herein.

IN WITNESS WHEREOF, this instrument is executed in four counterparts, each one of which shall be deemed an original, this the _____ day of _____
A.D., 2008.

_____
Principal

ATTEST:

_____ _____
(Principal) Secretary Signature
(SEAL)

_____ _____
Witness to Principal (Print / Type Name)

_____ _____
(Address) (Address)

_____ _____
(City, State, Zip) (City, State, Zip)

PAYMENT BOND (Continued)

	_____ Surety
ATTEST:	
_____ (Surety) Secretary (SEAL)	_____ Attorney-in-Fact (Signature)
_____ Witness to Surety	_____ (Print / Type Name)
_____ (Address)	_____ (Address)
_____ (City, State, Zip)	_____ (City, State, Zip)

Notes: Date of Bond must be prior to date of Contract.
Provide correct name of Contractor, indicate corporation, partnership or an individual, as case may be.
Provide correct name of Surety and Surety must attach its original power of attorney to this BOND.
If Contractor is partnership, all partners must sign and execute BOND.
Indicate County or Parish and State.

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, _____, certify that I am the secretary of the corporation named as Principal in the BOND; that _____ who signed the BOND on behalf of Principal, was then _____ of the corporation; that I know his or her signature, and his or her signature is genuine; and that the BOND was duly signed for and on behalf of the corporation by authority of its governing body.

_____ (Corporate Seal)
Secretary's Signature

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, that _____
_____
_____
(hereinafter called the Principal(s), as Principal(s), and _____
_____
_____hereinafter called the Surety(s), as Surety(s), are held and firmly bound onto _____
_____ (hereinafter called the Oblige), in the amount of _____
_____
Dollars ($_____) for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with the Oblige, dated the ____ _____day of _____, 2008, for the _____
_____
_____
Which contract is hereby referred to and made a part hereof as fully and to the same extent as if copies at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall faithfully perform the work in accordance with the plans, specifications and contract documents, then this obligation shall be void; otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Texas Government Code, Section 2253.021 (b), for the benefit of Oblige and provisions of said Section to the same extent as if it were copied in length herein.

IN WITNESS WHEREOF, this instrument is executed in four counterparts, each one of which shall be deemed an original, this the _____ day of _____
A.D., 2008.

_____
Principal

ATTEST:

_____
(Principal) Secretary
(SEAL)

_____
Signature

_____
Witness to Principal

_____
(Print / Type Name)

_____
(Address)

_____
(Address)

_____
(City, State, Zip)

_____
(City, State, Zip)

PERFORMANCE BOND (Continued)

	_____ Surety
ATTEST:	
_____ (Surety) Secretary (SEAL)	_____ Attorney-in-Fact (Signature)
_____ Witness to Surety	_____ (Print / Type Name)
_____ (Address)	_____ (Address)
_____ (City, State, Zip)	_____ (City, State, Zip)

Notes: Date of Bond must be prior to date of Contract.
Provide correct name of Contractor, indicate corporation, partnership or an individual, as case may be.
Provide correct name of Surety and Surety must attach its original power of attorney to this BOND.
If Contractor is partnership, all partners must sign and execute BOND.
Indicate County or Parish and State.

CERTIFICATE AS TO CORPORATE PRINCIPAL

I, _____, certify that I am the secretary of the corporation named as Principal in the BOND; that _____ who signed the BOND on behalf of Principal, was then _____ of the corporation; that I know his or her signature, and his or her signature is genuine; and that the BOND was duly signed for and on behalf of the corporation by authority of its governing body.

_____ (Corporate Seal)
Secretary's Signature

DAVIS BACON WAGE RATES

GENERAL DECISION: **TX20080029** 02/08/2008 TX29

Date: February 8, 2008
General Decision Number: **TX20080029** 02/08/2008

Superseded General Decision Number: TX20070029

State: Texas

Construction Types: Heavy and Highway

Counties: Cameron, Hidalgo and Webb Counties in Texas.

Heavy (excluding tunnels and dams) and Highway Construction Projects (does not include building structures in rest area projects). *NOT TO BE USED FOR HEAVY PROJECTS in Nueces and San Patricio Counties.

Modification Number	Publication Date
0	02/08/2008

* SUTX2005-004 01/05/2005

	Rates	Fringes
Asphalt Distributor Operator...	$ 9.57	0.00
Asphalt paving machine operator	$ 9.73	0.00
Asphalt Raker.....	$ 7.50	0.00
Asphalt Shoveler.....	$ 9.35	0.00
Broom or Sweeper Operator.....	$ 7.55	0.00
Bulldozer operator	$ 9.28	0.00
Carpenter.....	$ 10.20	0.00
Concrete Finisher, Paving.....	$ 10.73	0.00
Concrete Finisher, Structures..	$ 9.59	0.00
Concrete Rubber.....	$ 9.87	0.00
Crane, Clamshell, Backhoe, Derrick, Dragline, Shovel Operator.....	$ 10.83	0.00
Flagger.....	$ 7.40	0.00
Form Builder/Form Setter, Structures.....	$ 9.16	0.00
Form Setter, Paving & Curb.....	$ 10.50	0.00
Foundation Drill Operator, Truck Mounted.....	$ 12.50	0.00
Front End Loader Operator.....	$ 8.61	0.00
Laborer, common.....	$ 7.69	0.00
Laborer, Utility.....	$ 9.05	0.00
Mechanic.....	$ 10.81	0.00
Motor Grader Operator, Fine Grade.....	$ 11.91	0.00
Motor Grader Operator, Rough...	$ 11.27	0.00
Pipelayer.....	$ 8.44	0.00
Reinforcing Steel Setter.....	$ 10.44	0.00
Roller Operator, Pneumatic, Self-Propelled.....	$ 7.16	0.00

Roller Operator, Steel Wheel, Flat Wheel/Tamping	$ 7.17	0.00
Roller Operator, Steel Wheel, Plant Mix Pavement	$ 8.00	0.00
Scraper Operator	$ 8.61	0.00
Servicer	$ 8.81	0.00
Tractor operator, Pneumatic	$ 8.50	0.00
Traveling Mixer Operator	$ 8.30	0.00
Truck driver, lowboy-Float	$ 10.82	0.00
Truck driver, Single Axle, Heavy	$ 9.43	0.00
Truck driver, Single Axle, Light	$ 9.19	0.00
Truck Driver, Tandem Axle, Semi-Trailer	$ 8.01	0.00
Welder	$ 10.31	0.00
Work Zone Barricade Servicer	$ 8.40	0.00

WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental.

==========

Unlisted classifications needed for work not included within the scope of the classifications listed may be added after award only as provided in the labor standards contract clauses (29CFR 5.5 (a) (1) (ii)).

In the listing above, the "SU" designation means that rates listed under the identifier do not reflect collectively bargained wage and fringe benefit rates. Other designations indicate unions whose rates have been determined to be prevailing.

WAGE DETERMINATION APPEALS PROCESS

1.) Has there been an initial decision in the matter? This can be:

* an existing published wage determination
* a survey underlying a wage determination
* a Wage and Hour Division letter setting forth a position on a wage determination matter
* a conformance (additional classification and rate) ruling

On survey related matters, initial contact, including requests for summaries of surveys, should be with the Wage and Hour Regional Office for the area in which the survey was conducted because those Regional Offices have responsibility for the Davis-Bacon survey program. If the response from this initial contact is not satisfactory, then the process described in 2.) and 3.) should be followed.

With regard to any other matter not yet ripe for the formal process described here, initial contact should be with the Branch of Construction Wage Determinations. Write to:

Branch of Construction Wage Determinations
Wage and Hour Division
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

2.) If the answer to the question in 1.) is yes, then an interested party (those affected by the action) can request review and reconsideration from the Wage and Hour Administrator (See 29 CFR Part 1.8 and 29 CFR Part 7). Write to:

Wage and Hour Administrator
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

The request should be accompanied by a full statement of the interested party's position and by any information (wage payment data, project description, area practice material, etc.) that the requestor considers relevant to the issue.

3.) If the decision of the Administrator is not favorable, an interested party may appeal directly to the Administrative Review Board (formerly the Wage Appeals Board). Write to:

Administrative Review Board
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

4.) All decisions by the Administrative Review Board are final.

==========

END OF GENERAL DECISION

Certification
Regarding Debarment, Suspension and Ineligibility

As is required by the Federal Regulations Implementing Executive Order 12549, Debarment and Suspension, 45 CFR Part 76, Government-wide Debarment and Suspension, the applicant certifies, to the best of his or her knowledge and belief, that both it and its principals:

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency;

b. Have not within a three-year period preceding this bid proposal and/or application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

c. Are not presently indicted for or otherwise criminally or civilly charged by a government entity with commission of any of the offenses enumerated herein; and

d. Have not within a three-year period preceding this bid proposal and/or application had one or more public transactions terminated for cause or default.

Signature: _____
Print Name: _____
Title: _____
Telephone Number: _____
Date: _____

If the bidder is unable to certify to all of the statements in this Certification, such bidder should attach an explanation to this proposal.

DISCLOSURE OF CONFLICT OF INTEREST

Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor, person, consultant or contractor considering doing business with Hidalgo County ("the County") to disclose in the Conflict of Interest Questionnaire (the "CIQ") attached as Exhibit D, the vendor, person, consultant or contractor's affiliation or business relationship that might cause a conflict of interest with the County. By law, the CIQ must be filed with the Hidalgo County Clerk's Office no later than the seventh business day after the date the person becomes aware of facts that require that statement to be filed. The disclosure requirement applies to a person or business who contracts or seeks to contract with Hidalgo County for the sale or purchase of property, goods or service. Any purchase order or contract resulting from this process shall be considered null and void if the successful bidder fails to comply with Texas Local Government Code Chapter 176. Vendors, consultants, contractors and others who desire to conduct business with Hidalgo County are encouraged to refer to Texas Local Government Code Chapter 176 for the details of this law. An offense under Texas Local Government Code Chapter 176 is a Class C Misdemeanor.

Please Submit completed forms to the Hidalgo County Clerk's Office located at 100 N. Closner, Edinburg, Texas 78539-Hidalgo County Courthouse

COMPLETION AND SUBMISSION OF FORM CIO IS THE SOLE RESPONSIBILITY OF THE PROSPECTIVE BIDDER.

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor or other person doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. *See* Section 176.006, Local Government Code.

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

OFFICE USE ONLY
Date Received

1 **Name of person who has a business relationship with local governmental entity.**

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.**

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 **Name of local government officer with whom filer has employment or business relationship.**

_____

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

☐ Yes ☐ No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

☐ Yes ☐ No

D. Describe each employment or business relationship with the local government officer named in this section.

4

_____ _____

Signature of person doing business with the governmental entity Date

HIDALGO COUNTY
PURCHASING DEPARTMENT
Bidder/Vendor Application

Complete in print or type. Please return this application to the Hidalgo County Purchasing Department thru Facsimile: (956) 318-2629 or (956) 292-7612 in person or regular mail to: 2812 S. Business Hwy. 281 , Edinburg, Texas 78539 or e-mail: purchasing@co.hidalgo.tx.us

Company Name: **Telephone No. ( )**
dba Name:
Legal Name:
Mailing Address : **Fax No. ( )**
Physical Address:
City, State, Zip **Tax I.D. No.**
Remit to Address : **City, State, Zip**
E-Mail Address:
Representative(s) Name(s) & Title(s)
Type of Organization (check one): _____ Individual _____ Partnership _____ Corporation _____Non-Profit _____ LLC _____ Sole Proprietor _____ Other, Specify **State Identification No._____ (Please attached completed W-9 form with this application)** **Federal Identification No. or (if individual) SS No.**
State of Incorporation: _____ Date:_____ Other:
Type of Business (check one): _____ Manufacturer _____ Wholesaler _____ Retailer _____ Broker _____ Distributor _____ Service Organization _____ Other, Specify
Name & Title of Person(s) Authorized to Sign Bids, Proposals, and/or Contracts:
Small and/or Disadvantaged Business Information (check application criteria) **Small Business:** **Disadvantaged Business (At Least 51% Ownership)** ☐ Less than 125,000 annual gross receipt ☐ Black American ☐ Native American ☐ Less than 250,000 annual gross receipt ☐ Hispanic American ☐ Women ☐ Less than 499,000 annual gross receipt ☐ Asian Pacific American ☐ Other ☐ More than 500,000 annual gross receipt **Have you been certified as a HUB or an MBE/WBE source?:** ☐ Yes ☐ No **Indicate Certification No.(s):_____ or are Certificate(s) attached?:** ☐ Yes ☐ No
What type of product(s) is/are solicited by your company?: **Would you like to be provided with specifications for procurements of such products?:** ☐ Yes ☐ No
To Be Completed by the County: Rec'd by (Purchasing):_____ Date Rec'd by (Purchasing): **Date Forwarded Information to Auditor's Office:_____Entry Date: _____ Vendor No.:**

HISTORICALLY UNDERUTILIZED BUSINESS (HUB) DECLARATION

The primary objective of the Hidalgo County HUB Program is to ensure Historically Underutilized Businesses receive a fair and equal opportunity for participation in the County's procurement process. This fact holds true for Services (Professional & Non-Professional), Commodities, and Construction contracts and any subcontracts thereto. The program strongly encourages Prime Contractors to provide subcontracting opportunities to Certified Hub Contractors/Vendors. Our goal for HUB contractor/vendor participation, as well as HUB subcontractor participation is 30%. To be considered as a "Certified HUB Contractor/Vendor" the contractor/vendor must have been certified by, and hold a current and valid certification with any of the three agencies listed below.

Have you been Certified as a HUB or an MBE/WBE source?: ❒Yes ❒ No

If yes, by whom?: ❒ Texas Building & Procurement Commission ❒ Other_____

Indicate Certification No(s).:_____ or Are Certificate(s) Attached?: ❒ Yes ❒ No

---

LIST OF CERTIFIED HUB SUBCONTRACTORS

(Attach additional pages if necessary)

What percentage of the Bid, RFP,or RFQ is to be subcontracted with Certified HUB sources?: _____%
(List HUB Subcontractor information below).

HUB Subcontractor Name: _____ HUB Status:
Certifying Agency (Check all applicable): ❒Texas Building & Procurement Commission ❒ Other
Address: _____ City: _____ State: _____ Zip:
Contact Person: _____ Title: _____ Phone No.: ( )
Subcontract Amount: $_____ Description of Work to be Performed:

HUB Subcontractor Name: _____ HUB Status:
Certifying Agency (Check all applicable): ❒Texas Building & Procurement Commission ❒ Other
Address: _____ City: _____ State: _____ Zip:
Contact Person: _____ Title: _____ Phone No.: ( )
Subcontract Amount: $_____ Description of Work to be Performed:

HUB Subcontractor Name: _____ HUB Status:
Certifying Agency (Check all applicable): ❒Texas Building & Procurement Commission ❒ Other
Address: _____ City: _____ State: _____ Zip:
Contact Person: _____ Title: _____ Phone No.: ( )
Subcontract Amount: $_____ Description of Work to be Performed:

Form **W-9**
(Rev. November 2005)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)

Business name, if different from above

Check appropriate box: ☐ Individual/ Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ▶ ..... ☐ Exempt from backup withholding

Address (number, street, and apt. or suite no.) | Requester's name and address (optional)

City, state, and ZIP code

List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
			–			–		

or

Employer identification number
		–						

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here | **Signature of U.S. person ▶** | **Date ▶**

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.

2. The treaty article addressing the income.

3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

4. The type and amount of income that qualifies for the exemption from tax.

5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,

2. You do not certify your TIN when required (see the Part II instructions on page 4 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules regarding partnerships* on page 1.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note. You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note. If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),

2. The United States or any of its agencies or instrumentalities,

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or

5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

7. A foreign central bank of issue,

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

9. A futures commission merchant registered with the Commodity Futures Trading Commission,

10. A real estate investment trust,

11. An entity registered at all times during the tax year under the Investment Company Act of 1940,

12. A common trust fund operated by a bank under section 584(a),

13. A financial institution,

14. A middleman known in the investment community as a nominee or custodian, or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over $600 required to be reported and direct sales over $5,000 [1]	Generally, exempt recipients 1 through 7 [2]

[1] See Form 1099-MISC, Miscellaneous Income, and its instructions.

[2] However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at *www.socialsecurity.gov*. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/businesses* and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting *www.irs.gov* or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: *A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.*

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account [1]
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor [2]
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee [1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner [1]
5. Sole proprietorship or single-owner LLC	The owner [3]
For this type of account:	**Give name and EIN of:**
6. Sole proprietorship or single-owner LLC	The owner [3]
7. A valid trust, estate, or pension trust	Legal entity [4]
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

[4] List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules regarding partnerships* on page 1.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

Insurance Requirement Acknowledgment

I, _____ authorized representative for _____,
Company/Vendor

hereby acknowledge receipt of the county's required insurance limits. Said requirements:

- ❑ will be acquired upon notification of intent to award bid at the next regularly scheduled Hidalgo County Commissioner's Court; (*An insurance certificate for the required insurance limits shall be provided to the Purchasing Department by no later 9:30 am., the morning of the Commissioner's Court meeting, in order to qualify for award of bid and to execute a contract between our Company and the County.)

- ❑ will acquire additional amount needed to meet the County's requirements upon notification of intent to award bid at the next scheduled Hidalgo County Commissioner's Court; currently carry the following:

  Automobile Liability $_____ General Liability: $_____

  (*An insurance certificate for the required insurance limits shall be provided to the Purchasing Department by no later 9:30 a.m., the morning of the Commissioner's Court meeting, in order to qualify for award of bid and to execute a contract between our Company and the County.) OR

  - ❑ have already been met, see attached copy of insurance certificate.

_____ _____
Authorized Representative Date

Notice to Bidder: Failure to provide Certificates of Insurance at Commissioners' Court will cause the bid award to be rescinded and then awarded to next lowest bidder. Certificates of insurance will be monitored/verified on **a quarterly basis** to ensure coverage policy is in place.

THIS FORM MUST ACCOMPANY BID PACKET

PROJECT REQUIREMENTS ACKNOWLEDGMENT

This is to certify that I, _____, possess all of the

APPLICABLE:

1. Licenses: _____

2. Bonds: _____

3. Certificates: _____

4, Permits: _____

5. Other: _____

necessary to carry out the required project. Furthermore, I am providing copies of the required documentation so that, if my company is awarded this bid, I may be eligible to enter into a contract with Hidalgo County and proceed to complete the project in a timely manner.

*** Any licenses, bonds, certificates, permits, etc. which are required <u>must be presented</u> as part of the bid packet in order to expedite the bid evaluation process. Failure to provide said documentation will result in the disqualification of your bid.**

_____ _____

Authorized Signature Date

_____

Company

_____

Address

_____

City, State, Zip

SALES TAX AND LOCAL SALES TAX
EXEMPTION CERTIFICATE FOR CONTRACTORS

This Contract is to be performed for an exempt organization as defined by Article 20.04 (H) (4) of the Texas Limited Sales, Excise, and Use Tax Act and the undersigned hereby claims an exemption from payment of taxes under Chapter 20, Title 122A, revised civil statutes of Texas, and Article 1066 (C), entitle Local Sales and Use Tax, revised civil statutes of Texas.

The Contractor performing this Contract may purchase, rent, or lease all materials, supplies, equipment used or consumed in the performance of this Contract by issuing to his retailer an exemption certificate in lieu of the tax, said exemption certificate complying with State Comptroller's Ruling No. 95-9.07. Any such exemption certificate issued by the Contractor in lieu of the tax shall be subject to the provisions of the State Comptroller's Ruling No. 95.0.09 as amended to be effective October 2, 1968.

EXECUTED this the _____ day of _____, 2008.

_____

Contractor

This document has important legal consequences; consultation with an attorney is encouraged with respect to its use or modification. This document should be adapted to the particular circumstances of the contemplated Project and the Controlling Law.

STANDARD GENERAL CONDITIONS OF THE CONSTRUCTION CONTRACT

Prepared by

ENGINEERS JOINT CONTRACT DOCUMENTS COMMITTEE

and

Issued and Published Jointly By

AMERICAN CONSULTING ENGINEERS COUNCIL

National Society of Professional Engineers
Professional Engineers in Private Practice

AMERICAN SOCIETY OF CIVIL ENGINEERS

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a practice division of the
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AMERICAN CONSULTING ENGINEERS COUNCIL

AMERICAN SOCIETY OF CIVIL ENGINEERS

This document has been approved and endorsed by

The Associated General Contractors of America

Construction Specifications Institute

Advancement of Construction Technology

These General Conditions have been prepared for use with the Owner-Contractor Agreements (No. 1910-8-A-1 or 1910-8-A-2) (1996 Editions). Their provisions are interrelated and a change in one may necessitate a change in the other. Comments concerning their usage are contained in the EJCDC User's Guide (No. 1910-50). For guidance in the preparation of Supplementary Conditions, see Guide to the Preparation of Supplementary Conditions (No. 1910-17) (1996 Edition).

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TABLE OF CONTENTS

Page

ARTICLE 1 - DEFINITIONS AND TERMINOLOGY . . . . . 00700 - 6
1.01 *Defined Terms* . . . . . 00700 - 6
1.02 *Terminology* . . . . . 00700 - 8
ARTICLE 2 - PRELIMINARY MATTERS . . . . . 00700 - 9
2.01 *Delivery of Bonds* . . . . . 00700 - 9
2.02 *Copies of Documents* . . . . . 00700 - 9
2.03 *Commencement of Contract Times; Notice to Proceed* . . . . . 00700 - 9
2.04 *Starting the Work* . . . . . 00700 - 9
2.05 *Before Starting Construction* . . . . . 00700 - 9
2.06 *Preconstruction Conference* . . . . . 00700 - 10
2.07 *Initial Acceptance of Schedules* . . . . . 00700 - 10
ARTICLE 3 - CONTRACT DOCUMENTS: INTENT, AMENDING, REUSE . . . . . 00700 - 10
3.01 *Intent* . . . . . 00700 - 10
3.02 *Reference Standards* . . . . . 00700 - 10
3.03 *Reporting and Resolving Discrepancies* . . . . . 00700 - 11
3.04 *Amending and Supplementing Contract Documents* . . . . . 00700 - 11
3.05 *Reuse of Documents* . . . . . 00700 - 11
ARTICLE 4 - AVAILABILITY OF LANDS; SUBSURFACE AND PHYSICAL CONDITIONS; REFERENCE POINTS . . . . . 00700 - 11
4.01 *Availability of Lands* . . . . . 00700 - 11
4.02 *Subsurface and Physical Conditions* . . . . . 00700 - 12
4.03 *Differing Subsurface or Physical Conditions* . . . . . 00700 - 12
4.04 *Underground Facilities* . . . . . 00700 - 13
4.05 *Reference Points* . . . . . 00700 - 13
4.06 *Hazardous Environmental Condition at Site* . . . . . 00700 - 14
ARTICLE 5 - BONDS AND INSURANCE . . . . . 00700 - 15
5.01 *Performance, Payment, and Other Bonds* . . . . . 00700 - 15
5.02 *Licensed Sureties and Insurers* . . . . . 00700 - 15
5.03 *Certificates of Insurance* . . . . . 00700 - 15
5.04 *CONTRACTOR's Liability Insurance* . . . . . 00700 - 15
5.05 *OWNER's Liability Insurance* . . . . . 00700 - 16
5.06 *Property Insurance* . . . . . 00700 - 16
5.07 *Waiver of Rights* . . . . . 00700 - 17
5.08 *Receipt and Application of Insurance Proceeds* . . . . . 00700 - 18
5.09 *Acceptance of Bonds and Insurance; Option to Replace* . . . . . 00700 - 18
5.10 *Partial Utilization, Acknowledgment of Property Insurer* . . . . . 00700 - 18
ARTICLE 6 - CONTRACTOR'S RESPONSIBILITIES . . . . . 00700 - 18
6.01 *Supervision and Superintendence* . . . . . 00700 - 18
6.02 *Labor; Working Hours* . . . . . 00700 - 19
6.03 *Services, Materials, and Equipment* . . . . . 00700 - 19
6.04 *Progress Schedule* . . . . . 00700 - 19
6.05 *Substitutes and "Or-Equals"* . . . . . 00700 - 19
6.06 *Concerning Subcontractors, Suppliers, and Others* . . . . . 00700 - 20
6.07 *Patent Fees and Royalties* . . . . . 00700 - 21
6.08 *Permits* . . . . . 00700 - 21
6.09 *Laws and Regulations* . . . . . 00700 - 22
6.10 *Taxes* . . . . . 00700 - 22
6.11 *Use of Site and Other Areas* . . . . . 00700 - 22
6.12 *Record Documents* . . . . . 00700 - 22
6.13 *Safety and Protection* . . . . . 00700 - 23
6.14 *Safety Representative* . . . . . 00700 - 23
6.15 *Hazard Communication Programs* . . . . . 00700 - 23

6.16 *Emergencies* . . . . . 00700 - 23
6.17 *Shop Drawings and Samples* . . . . . 00700 - 23
6.18 *Continuing the Work* . . . . . 00700 - 24
6.19 *CONTRACTOR's General Warranty and Guarantee* . . . . . 00700 - 25
6.20 *Indemnification* . . . . . 00700 - 25
ARTICLE 7 - OTHER WORK . . . . . 00700 - 26
7.01 *Related Work at Site* . . . . . 00700 - 26
7.02 *Coordination* . . . . . 00700 - 26
ARTICLE 8 - OWNER'S RESPONSIBILITIES . . . . . 00700 - 26
8.01 *Communications to Contractor* . . . . . 00700 - 26
8.02 *Replacement of ENGINEER* . . . . . 00700 - 26
8.03 *Furnish Data* . . . . . 00700 - 26
8.04 *Pay Promptly When Due* . . . . . 00700 - 26
8.05 *Lands and Easements; Reports and Tests* . . . . . 00700 - 26
8.06 *Insurance* . . . . . 00700 - 27
8.07 *Change Orders* . . . . . 00700 - 27
8.08 *Inspections, Tests, and Approvals* . . . . . 00700 - 27
8.09 *Limitations on OWNER's Responsibilities* . . . . . 00700 - 27
8.10 *Undisclosed Hazardous Environmental Condition* . . . . . 00700 - 27
8.11 *Evidence of Financial Arrangements* . . . . . 00700 - 27
ARTICLE 9 - ENGINEER'S STATUS DURING CONSTRUCTION . . . . . 00700 - 27
9.01 *OWNER'S Representative* . . . . . 00700 - 27
9.02 *Visits to Site* . . . . . 00700 - 27
9.03 *Project Representative* . . . . . 00700 - 27
9.04 *Clarifications and Interpretations* 00700
9.05 *Authorized Variations in Work* . . . . . 00700 -
9.06 *Rejecting Defective Work* . . . . . 00700 - 28
9.07 *Shop Drawings, Change Orders and Payments* . . . . . 00700 - 28
9.08 *Determinations for Unit Price Work* . . . . . 00700 - 28
9.09 *Decisions on Requirements of Contract Documents and Acceptability of Work* . . . . . 00700 - 28
9.10 *Limitations on ENGINEER's Authority and Responsibilities* . . . . . 00700 - 28
ARTICLE 10 - CHANGES IN THE WORK; CLAIMS . . . . . 00700 - 29
10.01 *Authorized Changes in the Work* . . . . . 00700 - 29
10.02 *Unauthorized Changes in the Work* . . . . . 00700 - 29
10.03 *Execution of Change Orders* . . . . . 00700 - 29
10.04 *Notification to Surety* . . . . . 00700 - 29
10.05 *Claims and Disputes* . . . . . 00700 - 30
ARTICLE 11 - COST OF THE WORK; CASH ALLOWANCES; UNIT PRICE WORK . . . . . 00700 - 30
11.01 *Cost of the Work* . . . . . 00700 - 30
11.02 *Cash Allowances* . . . . . 00700 - 32
11.03 *Unit Price Work* . . . . . 00700 - 32
ARTICLE 12 - CHANGE OF CONTRACT PRICE; CHANGE OF CONTRACT TIMES . . . . . 00700 - 33
12.01 *Change of Contract Price* . . . . . 00700 - 33
12.02 *Change of Contract Times* . . . . . 00700 - 33
12.03 *Delays Beyond CONTRACTOR's Control* . . . . . 00700 - 33
12.04 *Delays Within CONTRACTOR's Control* . . . . . 00700 - 34
12.05 *Delays Beyond OWNER's and CONTRACTOR's Control* . . . . . 00700 - 34
12.06 *Delay Damages* . . . . . 00700 - 34
ARTICLE 13 - TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE WORK . . . . . 00700 - 34
13.01 *Notice of Defects* 0070C
13.02 *Access to Work* . . . . . 00700 - 34
13.03 *Tests and Inspections* . . . . . 00700 - 34
13.04 *Uncovering Work* . . . . . 00700 - 35
13.05 *OWNER May Stop the Work* . . . . . 00700 - 35
13.06 *Correction or Removal of Defective Work* . . . . . 00700 - 35

13.07 *Correction Period* . . . . . 00700 - 35
13.08 *Acceptance of Defective Work* . . . . . 00700 - 36
13.09 *OWNER May Correct Defective Work* . . . . . 00700 - 36
ARTICLE 14 - PAYMENTS TO CONTRACTOR AND COMPLETION . . . . . 00700 - 36
14.01 *Schedule of Values* . . . . . 00700 - 36
14.02 *Progress Payments* . . . . . 00700 - 37
14.03 *CONTRACTOR's Warranty of Title* . . . . . 00700 - 38
14.04 *Substantial Completion* . . . . . 00700 - 38
14.05 *Partial Utilization* . . . . . 00700 - 39
14.06 *Final Inspection* . . . . . 00700 - 39
14.07 *Final Payment* . . . . . 00700 - 39
14.08 *Final Completion Delayed* . . . . . 00700 - 40
14.09 *Waiver of Claims* . . . . . 00700 - 40
ARTICLE 15 - SUSPENSION OF WORK AND TERMINATION . . . . . 00700 - 40
15.01 *OWNER May Suspend Work* . . . . . 00700 - 40
15.02 *OWNER May Terminate for Cause* . . . . . 00700 - 40
15.03 *OWNER May Terminate For Convenience* . . . . . 00700 - 41
15.04 *CONTRACTOR May Stop Work or Terminate* . . . . . 00700 - 41
ARTICLE 16 - DISPUTE RESOLUTION . . . . . 00700 - 41
16.01 *Methods and Procedures* . . . . . 00700 - 41
ARTICLE 17 - MISCELLANEOUS . . . . . 00700 - 42
17.01 *Giving Notice* . . . . . 00700 - 42
17.02 *Computation of Times* . . . . . 00700 - 42
17.03 *Cumulative Remedies* . . . . . 00700 - 42
17.04 *Survival of Obligations* . . . . . 00700 - 42
17.05 *Controlling Law* . . . . . 00700 - 42

GENERAL CONDITIONS

ARTICLE 1 - DEFINITIONS AND TERMINOLOGY

1.01 *Defined Terms*

A. Wherever used in the Contract Documents and printed with initial or all capital letters, the terms listed below will have the meanings indicated which are applicable to both the singular and plural thereof.

1. *Addenda*--Written or graphic instruments issued prior to the opening of Bids which clarify, correct, or change the Bidding Requirements or the Contract Documents.

2. *Agreement*--The written instrument which is evidence of the agreement between OWNER and CONTRACTOR covering the Work.

3. *Application for Payment*--The form acceptable to ENGINEER which is to be used by CONTRACTOR during the course of the Work in requesting progress or final payments and which is to be accompanied by such supporting documentation as is required by the Contract Documents.

4. *Asbestos*--Any material that contains more than one percent asbestos and is friable or is releasing asbestos fibers into the air above current action levels established by the United States Occupational Safety and Health Administration.

5. *Bid*--The offer or proposal of a bidder submitted on the prescribed form setting forth the prices for the Work to be performed.

6. *Bidding Documents*--The Bidding Requirements and the proposed Contract Documents (including all Addenda issued prior to receipt of Bids).

7. *Bidding Requirements*--The Advertisement or Invitation to Bid, Instructions to Bidders, Bid security form, if any, and the Bid form with any supplements.

8. *Bonds*--Performance and payment bonds and other instruments of security.

9. *Change Order*--A document recommended by ENGINEER which is signed by CONTRACTOR and OWNER and authorizes an addition, deletion, or revision in the Work or an adjustment in the Contract Price or the Contract Times, issued on or after the Effective Date of the Agreement.

10. *Claim*--A demand or assertion by OWNER or CONTRACTOR seeking an adjustment of Contract Price or Contract Times, or both, or other relief with respect to the terms of the Contract. A demand for money or services by a third party is not a Claim.

11. *Contract*--The entire and integrated written agreement between the OWNER and CONTRACTOR concerning the Work. The Contract supersedes prior negotiations, representations, or agreements, whether written or oral.

12. *Contract Documents*--The Contract Documents establish the rights and obligations of the parties and include the Agreement, Addenda (which pertain to the Contract Documents), CONTRACTOR's Bid (including documentation accompanying the Bid and any post Bid documentation submitted prior to the Notice of Award) when attached as an exhibit to the Agreement, the Notice to Proceed, the Bonds, these General Conditions, the Supplementary Conditions, the Specifications and the Drawings as the same are more specifically identified in the Agreement, together with all Written Amendments, Change Orders, Work Change Directives, Field Orders, and ENGINEER's written interpretations and clarifications issued on or after the Effective Date of the Agreement. Approved Shop Drawings and the reports and drawings of subsurface and physical conditions are not Contract Documents. Only printed or hard copies of the items listed in this paragraph are Contract Documents. Files in electronic media format of text, data, graphics, and the like that may be furnished by OWNER to CONTRACTOR are not Contract Documents.

13. *Contract Price*--The moneys payable by OWNER to CONTRACTOR for completion of the Work in accordance with the Contract Documents as stated in the Agreement (subject to the provisions of paragraph 11.03 in the case of Unit Price Work).

14. *Contract Times*--The number of days or the dates stated in the Agreement to: (i) achieve Substantial Completion; and (ii) complete the Work so that it is ready for final payment as evidenced by ENGINEER's written recommendation of final payment.

15. *CONTRACTOR*--The individual or entity with whom OWNER has entered into the Agreement.

16. *Cost of the Work*--See paragraph 11.01.A for definition.

17. *Drawings*--That part of the Contract Documents prepared or approved by ENGINEER which graphically shows the scope, extent, and character of the Work to be performed by CONTRACTOR. Shop Drawings and other CONTRACTOR submittals are not Drawings as so defined.

18. *Effective Date of the Agreement*--The date indicated in the Agreement on which it becomes effective, but if no such date is indicated, it means the date on which the Agreement is signed and delivered by the last of the two parties to sign and deliver.

19. *ENGINEER*--The individual or entity named as such in the Agreement.

20. *ENGINEER's Consultant*--An individual or entity having a contract with ENGINEER to furnish services as ENGINEER's independent professional associate or consultant with respect to the Project and who is identified as such in the Supplementary Conditions.

21. *Field Order*--A written order issued by ENGINEER which requires minor changes in the Work but which does not involve a change in the Contract Price or the Contract Times.

22. *General Requirements*--Sections of Division 1 of the Specifications. The General Requirements pertain to all sections of the Specifications.

23. *Hazardous Environmental Condition*--The presence at the Site of Asbestos, PCBs, Petroleum, Hazardous Waste, or Radioactive Material in such quantities or circumstances that may present a substantial danger to persons or property exposed thereto in connection with the Work.

24. *Hazardous Waste*--The term Hazardous Waste shall have the meaning provided in Section 1004 of the Solid Waste Disposal Act (42 USC Section 6903) as amended from time to time.

25. *Laws and Regulations; Laws or Regulations*--Any and all applicable laws, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.

26. *Liens*--Charges, security interests, or encumbrances upon Project funds, real property, or personal property.

27. *Milestone*--A principal event specified in the Contract Documents relating to an intermediate completion date or time prior to Substantial Completion of all the Work.

28. *Notice of Award*--The written notice by OWNER to the apparent successful bidder stating that upon timely compliance by the apparent successful bidder with the conditions precedent listed therein, OWNER will sign and deliver the Agreement.

29. *Notice to Proceed*--A written notice given by OWNER to CONTRACTOR fixing the date on which the Contract Times will commence to run and on which CONTRACTOR shall start to perform the Work under the Contract Documents.

30. *OWNER*--The individual, entity, public body, or authority with whom CONTRACTOR has entered into the Agreement and for whom the Work is to be performed.

31. *Partial Utilization*--Use by OWNER of a substantially completed part of the Work for the purpose for which it is intended (or a related purpose) prior to Substantial Completion of all the Work.

32. *PCBs*--Polychlorinated biphenyls.

33. *Petroleum*--Petroleum, including crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute), such as oil, petroleum, fuel oil, oil sludge, oil refuse, gasoline, kerosene, and oil mixed with other non-Hazardous Waste and crude oils.

34. *Project*--The total construction of which the Work to be performed under the Contract Documents may be the whole, or a part as may be indicated elsewhere in the Contract Documents.

35. *Project Manual*--The bound documentary information prepared for bidding and constructing the Work. A listing of the contents of the Project Manual, which may be bound in one or more volumes, is contained in the table(s) of contents.

36. *Radioactive Material*--Source, special nuclear, or byproduct material as defined by the Atomic Energy Act of 1954 (42 USC Section 2011 et seq.) as amended from time to time.

37. *Resident Project Representative*--The authorized representative of ENGINEER who may be assigned to the Site or any part thereof.

38. *Samples*--Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and which establish the standards by which such portion of the Work will be judged.

39. *Shop Drawings*--All drawings, diagrams, illustrations, schedules, and other data or information which are specifically prepared or assembled by or for CONTRACTOR and submitted by CONTRACTOR to illustrate some portion of the Work.

40. *Site*--Lands or areas indicated in the Contract Documents as being furnished by OWNER upon which the Work is to be performed, including rights-of-way and easements for access thereto, and such other lands furnished by OWNER which are designated for the use of CONTRACTOR.

41. *Specifications*--That part of the Contract Documents consisting of written technical descriptions of materials, equipment, systems, standards, and workmanship as applied to the Work and certain administrative details applicable thereto.

42. *Subcontractor*--An individual or entity having a direct contract with CONTRACTOR or with any other Subcontractor for the performance of a part of the Work at the Site.

43. *Substantial Completion*--The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of ENGINEER, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms "substantially complete" and "substantially completed" as applied to all or part of the Work refer to Substantial Completion thereof.

44. *Supplementary Conditions*--That part of the Contract Documents which amends or supplements these General Conditions.

45. *Supplier*--A manufacturer, fabricator, supplier, distributor, materialman, or vendor having a direct contract with CONTRACTOR or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by CONTRACTOR or any Subcontractor.

46. *Underground Facilities*--All underground pipelines, conduits, ducts, cables, wires, manholes, vaults, tanks, tunnels, or other such facilities or attachments, and any encasements containing such facilities, including those that convey electricity, gases, steam, liquid petroleum products, telephone or other communications, cable television, water, wastewater, storm water, other liquids or chemicals, or traffic or other control systems.

47. *Unit Price Work*--Work to be paid for on the basis of unit prices.

48. *Work*--The entire completed construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction, and furnishing, installing, and incorporating all materials and equipment into such construction, all as required by the Contract Documents.

49. *Work Change Directive*--A written statement to CONTRACTOR issued on or after the Effective Date of the Agreement and signed by OWNER and recommended by ENGINEER ordering an addition, deletion, or revision in the Work, or responding to differing or unforeseen subsurface or physical conditions under which the Work is to be performed or to emergencies. A Work Change Directive will not change the Contract Price or the Contract Times but is evidence that the parties expect that the change ordered or documented by a Work Change Directive will be incorporated in a subsequently issued Change Order following negotiations by the parties as to its effect, if any, on the Contract Price or Contract Times.

50. *Written Amendment*--A written statement modifying the Contract Documents, signed by OWNER and CONTRACTOR on or after the Effective Date of the Agreement and normally dealing with the nonengineering or nontechnical rather than strictly construction-related aspects of the Contract Documents.

1.02 *Terminology*

A. *Intent of Certain Terms or Adjectives*

1. Whenever in the Contract Documents the terms "as allowed," "as approved," or terms of like effect or import are used, or the adjectives "reasonable," "suitable," "acceptable," "proper," "satisfactory," or adjectives of like effect or import are used to describe an action or determination of ENGINEER as to the Work, it is intended that such action or determination will be solely to evaluate, in general, the completed Work for compliance with the requirements of and information in the Contract Documents and conformance with the design concept of the completed Project as a functioning whole as shown or indicated in the Contract Documents (unless there is a specific statement indicating otherwise). The

use of any such term or adjective shall not be effective to assign to ENGINEER any duty or authority to supervise or direct the performance of the Work or any duty or authority to undertake responsibility contrary to the provisions of paragraph 9.10 or any other provision of the Contract Documents.

B. *Day*

1. The word "day" shall constitute a calendar day of 24 hours measured from midnight to the next midnight.

C. *Defective*

1. The word "defective," when modifying the word "Work," refers to Work that is unsatisfactory, faulty, or deficient in that it does not conform to the Contract Documents or does not meet the requirements of any inspection, reference standard, test, or approval referred to in the Contract Documents, or has been damaged prior to ENGINEER's recommendation of final payment (unless responsibility for the protection thereof has been assumed by OWNER at Substantial Completion in accordance with paragraph 14.04 or 14.05).

D. *Furnish, Install, Perform, Provide*

1. The word "furnish," when used in connection with services, materials, or equipment, shall mean to supply and deliver said services, materials, or equipment to the Site (or some other specified location) ready for use or installation and in usable or operable condition.

2. The word "install," when used in connection with services, materials, or equipment, shall mean to put into use or place in final position said services, materials, or equipment complete and ready for intended use.

3. The words "perform" or "provide," when used in connection with services, materials, or equipment, shall mean to furnish and install said services, materials, or equipment complete and ready for intended use.

4. When "furnish," "install," "perform," or "provide" is not used in connection with services, materials, or equipment in a context clearly requiring an obligation of CONTRACTOR, "provide" is implied.

E. Unless stated otherwise in the Contract Documents, words or phrases which have a well-known technical or construction industry or trade meaning are used in the Contract Documents in accordance with such recognized meaning.

ARTICLE 2 - PRELIMINARY MATTERS

2.01 *Delivery of Bonds*

A. When CONTRACTOR delivers the executed Agreements to OWNER, CONTRACTOR shall also deliver to OWNER such Bonds as CONTRACTOR may be required to furnish.

2.02 *Copies of Documents*

A. OWNER shall furnish to CONTRACTOR up to ten copies of the Contract Documents. Additional copies will be furnished upon request at the cost of reproduction.

2.03 *Commencement of Contract Times; Notice to Proceed*

A. The Contract Times will commence to run on the thirtieth day after the Effective Date of the Agreement or, if a Notice to Proceed is given, on the day indicated in the Notice to Proceed. A Notice to Proceed may be given at any time within 30 days after the Effective Date of the Agreement. In no event will the Contract Times commence to run later than the sixtieth day after the day of Bid opening or the thirtieth day after the Effective Date of the Agreement, whichever date is earlier.

2.04 *Starting the Work*

A. CONTRACTOR shall start to perform the Work on the date when the Contract Times commence to run. No Work shall be done at the Site prior to the date on which the Contract Times commence to run.

2.05 *Before Starting Construction*

A. *CONTRACTOR's Review of Contract Documents:* Before undertaking each part of the Work, CONTRACTOR shall carefully study and compare the Contract Documents and check and verify pertinent figures therein and all applicable field measurements. CONTRACTOR shall promptly report in writing to ENGINEER any conflict, error, ambiguity, or discrepancy which CONTRACTOR may discover and shall obtain a written interpretation or clarification from ENGINEER before proceeding with any Work affected thereby; however, CONTRACTOR shall not be liable to OWNER or ENGINEER for failure to report any conflict, error, ambiguity, or discrepancy in the Contract Documents unless CONTRACTOR knew or reasonably should have known thereof.

B. *Preliminary Schedules:* Within ten days after the Effective Date of the Agreement (unless otherwise specified

in the General Requirements), CONTRACTOR shall submit to ENGINEER for its timely review:

1. a preliminary progress schedule indicating the times (numbers of days or dates) for starting and completing the various stages of the Work, including any Milestones specified in the Contract Documents;

2. a preliminary schedule of Shop Drawing and Sample submittals which will list each required submittal and the times for submitting, reviewing, and processing such submittal; and

3. a preliminary schedule of values for all of the Work which includes quantities and prices of items which when added together equal the Contract Price and subdivides the Work into component parts in sufficient detail to serve as the basis for progress payments during performance of the Work. Such prices will include an appropriate amount of overhead and profit applicable to each item of Work.

C. *Evidence of Insurance:* Before any Work at the Site is started, CONTRACTOR and OWNER shall each deliver to the other, with copies to each additional insured identified in the Supplementary Conditions, certificates of insurance (and other evidence of insurance which either of them or any additional insured may reasonably request) which CONTRACTOR and OWNER respectively are required to purchase and maintain in accordance with Article 5.

2.06 *Preconstruction Conference*

A. Within 20 days after the Contract Times start to run, but before any Work at the Site is started, a conference attended by CONTRACTOR, ENGINEER, and others as appropriate will be held to establish a working understanding among the parties as to the Work and to discuss the schedules referred to in paragraph 2.05.B, procedures for handling Shop Drawings and other submittals, processing Applications for Payment, and maintaining required records.

2.07 *Initial Acceptance of Schedules*

A. Unless otherwise provided in the Contract Documents, at least ten days before submission of the first Application for Payment a conference attended by CONTRACTOR, ENGINEER, and others as appropriate will be held to review for acceptability to ENGINEER as provided below the schedules submitted in accordance with paragraph 2.05.B. CONTRACTOR shall have an additional ten days to make corrections and adjustments and to complete and resubmit the schedules. No progress payment shall be made to CONTRACTOR until acceptable schedules are submitted to ENGINEER.

1. The progress schedule will be acceptable to ENGINEER if it provides an orderly progression of the Work to completion within any specified Milestones and the Contract Times. Such acceptance will not impose on ENGINEER responsibility for the progress schedule, for sequencing, scheduling, or progress of the Work nor interfere with or relieve CONTRACTOR from CONTRACTOR's full responsibility therefor.

2. CONTRACTOR's schedule of Shop Drawing and Sample submittals will be acceptable to ENGINEER if it provides a workable arrangement for reviewing and processing the required submittals.

3. CONTRACTOR's schedule of values will be acceptable to ENGINEER as to form and substance if it provides a reasonable allocation of the Contract Price to component parts of the Work.

ARTICLE 3 - CONTRACT DOCUMENTS: INTENT, AMENDING, REUSE

3.01 *Intent*

A. The Contract Documents are complementary; what is called for by one is as binding as if called for by all.

B. It is the intent of the Contract Documents to describe a functionally complete Project (or part thereof) to be constructed in accordance with the Contract Documents. Any labor, documentation, services, materials, or equipment that may reasonably be inferred from the Contract Documents or from prevailing custom or trade usage as being required to produce the intended result will be provided whether or not specifically called for at no additional cost to OWNER.

C. Clarifications and interpretations of the Contract Documents shall be issued by ENGINEER as provided in Article 9.

3.02 *Reference Standards*

A. *Standards, Specifications, Codes, Laws, and Regulations*

1. Reference to standards, specifications, manuals, or codes of any technical society, organization, or association, or to Laws or Regulations, whether such reference be specific or by implication, shall mean the standard, specification, manual, code, or Laws or Regulations in effect at the time of opening of Bids (or on the Effective Date of the Agreement if there were no Bids),

except as may be otherwise specifically stated in the Contract Documents.

2. No provision of any such standard, specification, manual or code, or any instruction of a Supplier shall be effective to change the duties or responsibilities of OWNER, CONTRACTOR, or ENGINEER, or any of their subcontractors, consultants, agents, or employees from those set forth in the Contract Documents, nor shall any such provision or instruction be effective to assign to OWNER, ENGINEER, or any of ENGINEER's Consultants, agents, or employees any duty or authority to supervise or direct the performance of the Work or any duty or authority to undertake responsibility inconsistent with the provisions of the Contract Documents.

3.03 *Reporting and Resolving Discrepancies*

A. *Reporting Discrepancies*

1. If, during the performance of the Work, CONTRACTOR discovers any conflict, error, ambiguity, or discrepancy within the Contract Documents or between the Contract Documents and any provision of any Law or Regulation applicable to the performance of the Work or of any standard, specification, manual or code, or of any instruction of any Supplier, CONTRACTOR shall report it to ENGINEER in writing at once. CONTRACTOR shall not proceed with the Work affected thereby (except in an emergency as required by paragraph 6.16.A) until an amendment or supplement to the Contract Documents has been issued by one of the methods indicated in paragraph 3.04; provided, however, that CONTRACTOR shall not be liable to OWNER or ENGINEER for failure to report any such conflict, error, ambiguity, or discrepancy unless CONTRACTOR knew or reasonably should have known thereof.

B. *Resolving Discrepancies*

1. Except as may be otherwise specifically stated in the Contract Documents, the provisions of the Contract Documents shall take precedence in resolving any conflict, error, ambiguity, or discrepancy between the provisions of the Contract Documents and:

a. the provisions of any standard, specification, manual, code, or instruction (whether or not specifically incorporated by reference in the Contract Documents); or

b. the provisions of any Laws or Regulations applicable to the performance of the Work (unless such an interpretation of the provisions of the Contract Documents would result in violation of such Law or Regulation).

3.04 *Amending and Supplementing Contract Documents*

A. The Contract Documents may be amended to provide for additions, deletions, and revisions in the Work or to modify the terms and conditions thereof in one or more of the following ways: (i) a Written Amendment; (ii) a Change Order; or (iii) a Work Change Directive.

B. The requirements of the Contract Documents may be supplemented, and minor variations and deviations in the Work may be authorized, by one or more of the following ways: (i) a Field Order; (ii) ENGINEER's approval of a Shop Drawing or Sample; or (iii) ENGINEER's written interpretation or clarification.

3.05 *Reuse of Documents*

A. CONTRACTOR and any Subcontractor or Supplier or other individual or entity performing or furnishing any of the Work under a direct or indirect contract with OWNER: (i) shall not have or acquire any title to or ownership rights in any of the Drawings, Specifications, or other documents (or copies of any thereof) prepared by or bearing the seal of ENGINEER or ENGINEER's Consultant, including electronic media editions; and (ii) shall not reuse any of such Drawings, Specifications, other documents, or copies thereof on extensions of the Project or any other project without written consent of OWNER and ENGINEER and specific written verification or adaption by ENGINEER. This prohibition will survive final payment, completion, and acceptance of the Work, or termination or completion of the Contract. Nothing herein shall preclude CONTRACTOR from retaining copies of the Contract Documents for record purposes.

ARTICLE 4 - AVAILABILITY OF LANDS; SUBSURFACE AND PHYSICAL CONDITIONS; REFERENCE POINTS

4.01 *Availability of Lands*

A. OWNER shall furnish the Site. OWNER shall notify CONTRACTOR of any encumbrances or restrictions not of general application but specifically related to use of the Site with which CONTRACTOR must comply in performing the Work. OWNER will obtain in a timely manner and pay for easements for permanent structures or permanent changes in existing facilities. If CONTRACTOR and OWNER are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in the Contract Price or Contract Times, or both, as a result of any delay in OWNER's furnishing the Site, CONTRACTOR may make a Claim therefor as provided in paragraph 10.05.

B. Upon reasonable written request, OWNER shall furnish CONTRACTOR with a current statement of record legal title and legal description of the lands upon which the Work is to be performed and OWNER's interest therein as necessary for giving notice of or filing a mechanic's or construction lien against such lands in accordance with applicable Laws and Regulations.

C. CONTRACTOR shall provide for all additional lands and access thereto that may be required for temporary construction facilities or storage of materials and equipment.

4.02 *Subsurface and Physical Conditions*

A. *Reports and Drawings:* The Supplementary Conditions identify:

1. those reports of explorations and tests of subsurface conditions at or contiguous to the Site that ENGINEER has used in preparing the Contract Documents; and

2. those drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the Site (except Underground Facilities) that ENGINEER has used in preparing the Contract Documents.

B. *Limited Reliance by CONTRACTOR on Technical Data Authorized:* CONTRACTOR may rely upon the general accuracy of the "technical data" contained in such reports and drawings, but such reports and drawings are not Contract Documents. Such "technical data" is identified in the Supplementary Conditions. Except for such reliance on such "technical data," CONTRACTOR may not rely upon or make any Claim against OWNER, ENGINEER, or any of ENGINEER's Consultants with respect to:

1. the completeness of such reports and drawings for CONTRACTOR's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences, and procedures of construction to be employed by CONTRACTOR, and safety precautions and programs incident thereto; or

2. other data, interpretations, opinions, and information contained in such reports or shown or indicated in such drawings; or

3. any CONTRACTOR interpretation of or conclusion drawn from any "technical data" or any such other data, interpretations, opinions, or information.

4.03 *Differing Subsurface or Physical Conditions*

A. *Notice:* If CONTRACTOR believes that any subsurface or physical condition at or contiguous to the Site that is uncovered or revealed either:

1. is of such a nature as to establish that any "technical data" on which CONTRACTOR is entitled to rely as provided in paragraph 4.02 is materially inaccurate; or

2. is of such a nature as to require a change in the Contract Documents; or

3. differs materially from that shown or indicated in the Contract Documents; or

4. is of an unusual nature, and differs materially from conditions ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract Documents;

then CONTRACTOR shall, promptly after becoming aware thereof and before further disturbing the subsurface or physical conditions or performing any Work in connection therewith (except in an emergency as required by paragraph 6.16.A), notify OWNER and ENGINEER in writing about such condition. CONTRACTOR shall not further disturb such condition or perform any Work in connection therewith (except as aforesaid) until receipt of written order to do so.

B. *ENGINEER's Review:* After receipt of written notice as required by paragraph 4.03.A, ENGINEER will promptly review the pertinent condition, determine the necessity of OWNER's obtaining additional exploration or tests with respect thereto, and advise OWNER in writing (with a copy to CONTRACTOR) of ENGINEER's findings and conclusions.

C. *Possible Price and Times Adjustments*

1. The Contract Price or the Contract Times, or both, will be equitably adjusted to the extent that the existence of such differing subsurface or physical condition causes an increase or decrease in CONTRACTOR's cost of, or time required for, performance of the Work; subject, however, to the following:

a. such condition must meet any one or more of the categories described in paragraph 4.03.A; and

b. with respect to Work that is paid for on a Unit Price Basis, any adjustment in Contract Price will be subject to the provisions of paragraphs 9.08 and 11.03.

2. CONTRACTOR shall not be entitled to any adjustment in the Contract Price or Contract Times if:

a. CONTRACTOR knew of the existence of such conditions at the time CONTRACTOR made a final commitment to OWNER in respect of Contract Price and Contract Times by the submission of a Bid or becoming bound under a negotiated contract; or

b. the existence of such condition could reasonably have been discovered or revealed as a result of any examination, investigation, exploration, test, or study of the Site and contiguous areas required by the Bidding Requirements or Contract Documents to be conducted by or for CONTRACTOR prior to CONTRACTOR's making such final commitment; or

c. CONTRACTOR failed to give the written notice within the time and as required by paragraph 4.03.A.

3. If OWNER and CONTRACTOR are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in the Contract Price or Contract Times, or both, a Claim may be made therefor as provided in paragraph 10.05. However, OWNER, ENGINEER, and ENGINEER's Consultants shall not be liable to CONTRACTOR for any claims, costs, losses, or damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) sustained by CONTRACTOR on or in connection with any other project or anticipated project.

4.04 *Underground Facilities*

A. *Shown or Indicated:* The information and data shown or indicated in the Contract Documents with respect to existing Underground Facilities at or contiguous to the Site is based on information and data furnished to OWNER or ENGINEER by the owners of such Underground Facilities, including OWNER, or by others. Unless it is otherwise expressly provided in the Supplementary Conditions:

1. OWNER and ENGINEER shall not be responsible for the accuracy or completeness of any such information or data; and

2. the cost of all of the following will be included in the Contract Price, and CONTRACTOR shall have full responsibility for:

a. reviewing and checking all such information and data,

b. locating all Underground Facilities shown or indicated in the Contract Documents,

c. coordination of the Work with the owners of such Underground Facilities, including OWNER, during construction, and

d. the safety and protection of all such Underground Facilities and repairing any damage thereto resulting from the Work.

B. *Not Shown or Indicated*

1. If an Underground Facility is uncovered or revealed at or contiguous to the Site which was not shown or indicated, or not shown or indicated with reasonable accuracy in the Contract Documents, CONTRACTOR shall, promptly after becoming aware thereof and before further disturbing conditions affected thereby or performing any Work in connection therewith (except in an emergency as required by paragraph 6.16.A), identify the owner of such Underground Facility and give written notice to that owner and to OWNER and ENGINEER. ENGINEER will promptly review the Underground Facility and determine the extent, if any, to which a change is required in the Contract Documents to reflect and document the consequences of the existence or location of the Underground Facility. During such time, CONTRACTOR shall be responsible for the safety and protection of such Underground Facility.

2. If ENGINEER concludes that a change in the Contract Documents is required, a Work Change Directive or a Change Order will be issued to reflect and document such consequences. An equitable adjustment shall be made in the Contract Price of Contract Times, or both, to the extent that they are attributable to the existence or location of any Underground Facility that was not shown or indicated or not shown or indicated with reasonable accuracy in the Contract Documents and that CONTRACTOR did not know of and could not reasonably have been expected to be aware of or to have anticipated. If OWNER and CONTRACTOR are unable to agree on entitlement to or on the amount or extent, if any, of any such adjustment in Contract Price or Contract Times, OWNER or CONTRACTOR may make a Claim therefor as provided in paragraph 10.05.

4.05 *Reference Points*

A. OWNER shall provide engineering surveys to establish reference points for construction which in ENGINEER's judgment are necessary to enable CONTRACTOR to proceed with the Work. CONTRACTOR shall be responsible for laying out the Work, shall protect and preserve the established reference points and property

monuments, and shall make no changes or relocations without the prior written approval of OWNER. CONTRACTOR shall report to ENGINEER whenever any reference point or property monument is lost or destroyed or requires relocation because of necessary changes in grades or locations, and shall be responsible for the accurate replacement or relocation of such reference points or property monuments by professionally qualified personnel.

4.06 *Hazardous Environmental Condition at Site*

A. *Reports and Drawings:* Reference is made to the Supplementary Conditions for the identification of those reports and drawings relating to a Hazardous Environmental Condition identified at the Site, if any, that have been utilized by the ENGINEER in the preparation of the Contract Documents.

B. *Limited Reliance by CONTRACTOR on Technical Data Authorized:* CONTRACTOR may rely upon the general accuracy of the "technical data" contained in such reports and drawings, but such reports and drawings are not Contract Documents. Such "technical data" is identified in the Supplementary Conditions. Except for such reliance on such "technical data," CONTRACTOR may not rely upon or make any Claim against OWNER, ENGINEER or any of ENGINEER's Consultants with respect to:

1. the completeness of such reports and drawings for CONTRACTOR's purposes, including, but not limited to, any aspects of the means, methods, techniques, sequences and procedures of construction to be employed by CONTRACTOR and safety precautions and programs incident thereto; or

2. other data, interpretations, opinions and information contained in such reports or shown or indicated in such drawings; or

3. any CONTRACTOR interpretation of or conclusion drawn from any "technical data" or any such other data, interpretations, opinions or information.

C. CONTRACTOR shall not be responsible for any Hazardous Environmental Condition uncovered or revealed at the Site which was not shown or indicated in Drawings or Specifications or identified in the Contract Documents to be within the scope of the Work. CONTRACTOR shall be responsible for a Hazardous Environmental Condition created with any materials brought to the Site by CONTRACTOR, Subcontractors, Suppliers, or anyone else for whom CONTRACTOR is responsible.

D. If CONTRACTOR encounters a Hazardous Environmental Condition or if CONTRACTOR or anyone for whom CONTRACTOR is responsible creates a Hazardous Environmental Condition, CONTRACTOR shall immediately: (i) secure or otherwise isolate such condition; (ii) stop all Work in connection with such condition and in any area affected thereby (except in an emergency as required by paragraph 6.16); and (iii) notify OWNER and ENGINEER (and promptly thereafter confirm such notice in writing). OWNER shall promptly consult with ENGINEER concerning the necessity for OWNER to retain a qualified expert to evaluate such condition or take corrective action, if any.

E. CONTRACTOR shall not be required to resume Work in connection with such condition or in any affected area until after OWNER has obtained any required permits related thereto and delivered to CONTRACTOR written notice: (i) specifying that such condition and any affected area is or has been rendered safe for the resumption of Work; or (ii) specifying any special conditions under which such Work may be resumed safely. If OWNER and CONTRACTOR cannot agree as to entitlement to or on the amount or extent, if any, of any adjustment in Contract Price or Contract Times, or both, as a result of such Work stoppage or such special conditions under which Work is agreed to be resumed by CONTRACTOR, either party may make a Claim therefor as provided in paragraph 10.05.

F. If after receipt of such written notice CONTRACTOR does not agree to resume such Work based on a reasonable belief it is unsafe, or does not agree to resume such Work under such special conditions, then OWNER may order the portion of the Work that is in the area affected by such condition to be deleted from the Work. If OWNER and CONTRACTOR cannot agree as to entitlement to or on the amount or extent, if any, of an adjustment in Contract Price or Contract Times as a result of deleting such portion of the Work, then either party may make a Claim therefor as provided in paragraph 10.05. OWNER may have such deleted portion of the Work performed by OWNER's own forces or others in accordance with Article 7.

G. To the fullest extent permitted by Laws and Regulations, OWNER shall indemnify and hold harmless CONTRACTOR, Subcontractors, ENGINEER, ENGINEER's Consultants and the officers, directors, partners, employees, agents, other consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition, provided that such Hazardous Environmental Condition: (i) was not shown or indicated in the Drawings or Specifications or identified in the Contract Documents to be included within the scope of the Work, and (ii) was not created by CONTRACTOR or by anyone for whom CONTRACTOR is responsible. Nothing

in this paragraph 4.06.E shall obligate OWNER to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.

H. To the fullest extent permitted by Laws and Regulations, CONTRACTOR shall indemnify and hold harmless OWNER, ENGINEER, ENGINEER's Consultants, and the officers, directors, partners, employees, agents, other consultants, and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to a Hazardous Environmental Condition created by CONTRACTOR or by anyone for whom CONTRACTOR is responsible. Nothing in this paragraph 4.06.F shall obligate CONTRACTOR to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence.

I. The provisions of paragraphs 4.02, 4.03, and 4.04 are not intended to apply to a Hazardous Environmental Condition uncovered or revealed at the Site.

ARTICLE 5 - BONDS AND INSURANCE

5.01 *Performance, Payment, and Other Bonds*

A. CONTRACTOR shall furnish performance and payment Bonds, each in an amount at least equal to the Contract Price as security for the faithful performance and payment of all CONTRACTOR's obligations under the Contract Documents. These Bonds shall remain in effect at least until one year after the date when final payment becomes due, except as provided otherwise by Laws or Regulations or by the Contract Documents. CONTRACTOR shall also furnish such other Bonds as are required by the Contract Documents.

B. All Bonds shall be in the form prescribed by the Contract Documents except as provided otherwise by Laws or Regulations, and shall be executed by such sureties as are named in the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (amended) by the Financial Management Service, Surety Bond Branch, U.S. Department of the Treasury. All Bonds signed by an agent must be accompanied by a certified copy of such agent's authority to act.

C. If the surety on any Bond furnished by CONTRACTOR is declared bankrupt or becomes insolvent or its right to do business is terminated in any state where any part of the Project is located or it ceases to meet the requirements of paragraph 5.01.B, CONTRACTOR shall within 20 days thereafter substitute another Bond and surety, both of which shall comply with the requirements of paragraphs 5.01.B and 5.02.

5.02 *Licensed Sureties and Insurers*

A. All Bonds and insurance required by the Contract Documents to be purchased and maintained by OWNER or CONTRACTOR shall be obtained from surety or insurance companies that are duly licensed or authorized in the jurisdiction in which the Project is located to issue Bonds or insurance policies for the limits and coverages so required. Such surety and insurance companies shall also meet such additional requirements and qualifications as may be provided in the Supplementary Conditions.

5.03 *Certificates of Insurance*

A. CONTRACTOR shall deliver to OWNER, with copies to each additional insured identified in the Supplementary Conditions, certificates of insurance (and other evidence of insurance requested by OWNER or any other additional insured) which CONTRACTOR is required to purchase and maintain. OWNER shall deliver to CONTRACTOR, with copies to each additional insured identified in the Supplementary Conditions, certificates of insurance (and other evidence of insurance requested by CONTRACTOR or any other additional insured) which OWNER is required to purchase and maintain.

5.04 *CONTRACTOR's Liability Insurance*

A. CONTRACTOR shall purchase and maintain such liability and other insurance as is appropriate for the Work being performed and as will provide protection from claims set forth below which may arise out of or result from CONTRACTOR's performance of the Work and CONTRACTOR's other obligations under the Contract Documents, whether it is to be performed by CONTRACTOR, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Work, or by anyone for whose acts any of them may be liable:

1. claims under workers' compensation, disability benefits, and other similar employee benefit acts;

2. claims for damages because of bodily injury, occupational sickness or disease, or death of CONTRACTOR's employees;

3. claims for damages because of bodily injury, sickness or disease, or death of any person other than CONTRACTOR's employees;

4. claims for damages insured by reasonably available personal injury liability coverage which are sustained: (i) by any person as a result of an offense directly or indirectly related to the employment of such person by CONTRACTOR, or (ii) by any other person for any other reason;

5. claims for damages, other than to the Work itself, because of injury to or destruction of tangible property wherever located, including loss of use resulting therefrom; and

6. claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle.

B. The policies of insurance so required by this paragraph 5.04 to be purchased and maintained shall:

1. with respect to insurance required by paragraphs 5.04.A.3 through 5.04.A.6 inclusive, include as additional insureds (subject to any customary exclusion in respect of professional liability) OWNER, ENGINEER, ENGINEER's Consultants, and any other individuals or entities identified in the Supplementary Conditions, all of whom shall be listed as additional insureds, and include coverage for the respective officers, directors, partners, employees, agents, and other consultants and subcontractors of each and any of all such additional insureds, and the insurance afforded to these additional insureds shall provide primary coverage for all claims covered thereby;

2. include at least the specific coverages and be written for not less than the limits of liability provided in the Supplementary Conditions or required by Laws or Regulations, whichever is greater;

3. include completed operations insurance;

4. include contractual liability insurance covering CONTRACTOR's indemnity obligations under paragraphs 6.07, 6.11, and 6.20;

5. contain a provision or endorsement that the coverage afforded will not be canceled, materially changed or renewal refused until at least thirty days prior written notice has been given to OWNER and CONTRACTOR and to each other additional insured identified in the Supplementary Conditions to whom a certificate of insurance has been issued (and the certificates of insurance furnished by the CONTRACTOR pursuant to paragraph 5.03 will so provide);

6. remain in effect at least until final payment and at all times thereafter when CONTRACTOR may be correcting, removing, or replacing defective Work in accordance with paragraph 13.07; and

7. with respect to completed operations insurance, and any insurance coverage written on a claims-made basis, remain in effect for at least two years after final payment (and CONTRACTOR shall furnish OWNER and each other additional insured identified in the Supplementary Conditions, to whom a certificate of insurance has been issued, evidence satisfactory to OWNER and any such additional insured of continuation of such insurance at final payment and one year thereafter).

5.05 *OWNER's Liability Insurance*

A. In addition to the insurance required to be provided by CONTRACTOR under paragraph 5.04, OWNER, at OWNER's option, may purchase and maintain at OWNER's expense OWNER's own liability insurance as will protect OWNER against claims which may arise from operations under the Contract Documents.

5.06 *Property Insurance*

A. Unless otherwise provided in the Supplementary Conditions, OWNER shall purchase and maintain property insurance upon the Work at the Site in the amount of the full replacement cost thereof (subject to such deductible amounts as may be provided in the Supplementary Conditions or required by Laws and Regulations). This insurance shall:

1. include the interests of OWNER, CONTRACTOR, Subcontractors, ENGINEER, ENGINEER's Consultants, and any other individuals or entities identified in the Supplementary Conditions, and the officers, directors, partners, employees, agents, and other consultants and subcontractors of each and any of them, each of whom is deemed to have an insurable interest and shall be listed as an additional insured;

2. be written on a Builder's Risk "all-risk" or open peril or special causes of loss policy form that shall at least include insurance for physical loss or damage to the Work, temporary buildings, false work, and materials and equipment in transit, and shall insure against at least the following perils or causes of loss: fire, lightning, extended coverage, theft, vandalism and malicious mischief, earthquake, collapse, debris removal, demolition occasioned by enforcement of Laws and Regulations, water damage, and such other perils or causes of loss as may be specifically required by the Supplementary Conditions;

3. include expenses incurred in the repair or replacement of any insured property (including but not limited to fees and charges of engineers and architects);

4. cover materials and equipment stored at the Site or at another location that was agreed to in writing by OWNER prior to being incorporated in the Work, provided that such materials and equipment have been included in an Application for Payment recommended by ENGINEER;

5. allow for partial utilization of the Work by OWNER;

6. include testing and startup; and

7. be maintained in effect until final payment is made unless otherwise agreed to in writing by OWNER, CONTRACTOR, and ENGINEER with 30 days written notice to each other additional insured to whom a certificate of insurance has been issued.

B. OWNER shall purchase and maintain such boiler and machinery insurance or additional property insurance as may be required by the Supplementary Conditions or Laws and Regulations which will include the interests of OWNER, CONTRACTOR, Subcontractors, ENGINEER, ENGINEER's Consultants, and any other individuals or entities identified in the Supplementary Conditions, each of whom is deemed to have an insurable interest and shall be listed as an insured or additional insured.

C. All the policies of insurance (and the certificates or other evidence thereof) required to be purchased and maintained in accordance with paragraph 5.06 will contain a provision or endorsement that the coverage afforded will not be canceled or materially changed or renewal refused until at least 30 days prior written notice has been given to OWNER and CONTRACTOR and to each other additional insured to whom a certificate of insurance has been issued and will contain waiver provisions in accordance with paragraph 5.07.

D. OWNER shall not be responsible for purchasing and maintaining any property insurance specified in this paragraph 5.06 to protect the interests of CONTRACTOR, Subcontractors, or others in the Work to the extent of any deductible amounts that are identified in the Supplementary Conditions. The risk of loss within such identified deductible amount will be borne by CONTRACTOR, Subcontractors, or others suffering any such loss, and if any of them wishes property insurance coverage within the limits of such amounts, each may purchase and maintain it at the purchaser's own expense.

E. If CONTRACTOR requests in writing that other special insurance be included in the property insurance policies provided under paragraph 5.06, OWNER shall, if possible, include such insurance, and the cost thereof will be charged to CONTRACTOR by appropriate Change Order or Written Amendment. Prior to commencement of the Work at the Site, OWNER shall in writing advise CONTRACTOR whether or not such other insurance has been procured by OWNER.

5.07 *Waiver of Rights*

A. OWNER and CONTRACTOR intend that all policies purchased in accordance with paragraph 5.06 will protect OWNER, CONTRACTOR, Subcontractors, ENGINEER, ENGINEER's Consultants, and all other individuals or entities identified in the Supplementary Conditions to be listed as insureds or additional insureds (and the officers, directors, partners, employees, agents, and other consultants and subcontractors of each and any of them) in such policies and will provide primary coverage for all losses and damages caused by the perils or causes of loss covered thereby. All such policies shall contain provisions to the effect that in the event of payment of any loss or damage the insurers will have no rights of recovery against any of the insureds or additional insureds thereunder. OWNER and CONTRACTOR waive all rights against each other and their respective officers, directors, partners, employees, agents, and other consultants and subcontractors of each and any of them for all losses and damages caused by, arising out of or resulting from any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Work; and, in addition, waive all such rights against Subcontractors, ENGINEER, ENGINEER's Consultants, and all other individuals or entities identified in the Supplementary Conditions to be listed as insureds or additional insureds (and the officers, directors, partners, employees, agents, and other consultants and subcontractors of each and any of them) under such policies for losses and damages so caused. None of the above waivers shall extend to the rights that any party making such waiver may have to the proceeds of insurance held by OWNER as trustee or otherwise payable under any policy so issued.

B. OWNER waives all rights against CONTRACTOR, Subcontractors, ENGINEER, ENGINEER's Consultants, and the officers, directors, partners, employees, agents, and other consultants and subcontractors of each and any of them for:

1. loss due to business interruption, loss of use, or other consequential loss extending beyond direct physical loss or damage to OWNER's property or the Work caused by, arising out of, or resulting from fire or other peril whether or not insured by OWNER; and

2. loss or damage to the completed Project or part thereof caused by, arising out of, or resulting from fire or other insured peril or cause of loss covered by any property insurance maintained on the completed Project or part thereof by OWNER during partial utilization pursuant to paragraph 14.05, after Substantial Completion

pursuant to paragraph 14.04, or after final payment pursuant to paragraph 14.07.

C. Any insurance policy maintained by OWNER covering any loss, damage or consequential loss referred to in paragraph 5.07.B shall contain provisions to the effect that in the event of payment of any such loss, damage, or consequential loss, the insurers will have no rights of recovery against CONTRACTOR, Subcontractors, ENGINEER, or ENGINEER's Consultants and the officers, directors, partners, employees, agents, and other consultants and subcontractors of each and any of them.

5.08 *Receipt and Application of Insurance Proceeds*

A. Any insured loss under the policies of insurance required by paragraph 5.06 will be adjusted with OWNER and made payable to OWNER as fiduciary for the insureds, as their interests may appear, subject to the requirements of any applicable mortgage clause and of paragraph 5.08.B. OWNER shall deposit in a separate account any money so received and shall distribute it in accordance with such agreement as the parties in interest may reach. If no other special agreement is reached, the damaged Work shall be repaired or replaced, the moneys so received applied on account thereof, and the Work and the cost thereof covered by an appropriate Change Order or Written Amendment.

B. OWNER as fiduciary shall have power to adjust and settle any loss with the insurers unless one of the parties in interest shall object in writing within 15 days after the occurrence of loss to OWNER's exercise of this power. If such objection be made, OWNER as fiduciary shall make settlement with the insurers in accordance with such agreement as the parties in interest may reach. If no such agreement among the parties in interest is reached, OWNER as fiduciary shall adjust and settle the loss with the insurers and, if required in writing by any party in interest, OWNER as fiduciary shall give bond for the proper performance of such duties.

5.09 *Acceptance of Bonds and Insurance; Option to Replace*

A. If either OWNER or CONTRACTOR has any objection to the coverage afforded by or other provisions of the Bonds or insurance required to be purchased and maintained by the other party in accordance with Article 5 on the basis of non-conformance with the Contract Documents, the objecting party shall so notify the other party in writing within 10 days after receipt of the certificates (or other evidence requested) required by paragraph 2.05.C. OWNER and CONTRACTOR shall each provide to the other such additional information in respect of insurance provided as the other may reasonably request. If either party does not purchase or maintain all of the Bonds and insurance required of such party by the Contract Documents, such party shall notify the other party in writing of such failure to purchase prior to the start of the Work, or of such failure to maintain prior to any change in the required coverage. Without prejudice to any other right or remedy, the other party may elect to obtain equivalent Bonds or insurance to protect such other party's interests at the expense of the party who was required to provide such coverage, and a Change Order shall be issued to adjust the Contract Price accordingly.

5.10 *Partial Utilization, Acknowledgment of Property Insurer*

A. If OWNER finds it necessary to occupy or use a portion or portions of the Work prior to Substantial Completion of all the Work as provided in paragraph 14.05, no such use or occupancy shall commence before the insurers providing the property insurance pursuant to paragraph 5.06 have acknowledged notice thereof and in writing effected any changes in coverage necessitated thereby. The insurers providing the property insurance shall consent by endorsement on the policy or policies, but the property insurance shall not be canceled or permitted to lapse on account of any such partial use or occupancy.

ARTICLE 6 - CONTRACTOR'S RESPONSIBILITIES

6.01 *Supervision and Superintendence*

A. CONTRACTOR shall supervise, inspect, and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. CONTRACTOR shall be solely responsible for the means, methods, techniques, sequences, and procedures of construction, but CONTRACTOR shall not be responsible for the negligence of OWNER or ENGINEER in the design or specification of a specific means, method, technique, sequence, or procedure of construction which is shown or indicated in and expressly required by the Contract Documents. CONTRACTOR shall be responsible to see that the completed Work complies accurately with the Contract Documents.

B. At all times during the progress of the Work, CONTRACTOR shall assign a competent resident superintendent thereto who shall not be replaced without written notice to OWNER and ENGINEER except under extraordinary circumstances. The superintendent will be CONTRACTOR's representative at the Site and shall have authority to act on behalf of CONTRACTOR. All communications given to or received from the superintendent shall be binding on CONTRACTOR.

6.02 *Labor; Working Hours*

A. CONTRACTOR shall provide competent, suitably qualified personnel to survey, lay out, and construct the Work as required by the Contract Documents. CONTRACTOR shall at all times maintain good discipline and order at the Site.

B. Except as otherwise required for the safety or protection of persons or the Work or property at the Site or adjacent thereto, and except as otherwise stated in the Contract Documents, all Work at the Site shall be performed during regular working hours, and CONTRACTOR will not permit overtime work or the performance of Work on Saturday, Sunday, or any legal holiday without OWNER's written consent (which will not be unreasonably withheld) given after prior written notice to ENGINEER.

6.03 *Services, Materials, and Equipment*

A. Unless otherwise specified in the General Requirements, CONTRACTOR shall provide and assume full responsibility for all services, materials, equipment, labor, transportation, construction equipment and machinery, tools, appliances, fuel, power, light, heat, telephone, water, sanitary facilities, temporary facilities, and all other facilities and incidentals necessary for the performance, testing, start-up, and completion of the Work.

B. All materials and equipment incorporated into the Work shall be as specified or, if not specified, shall be of good quality and new, except as otherwise provided in the Contract Documents. All warranties and guarantees specifically called for by the Specifications shall expressly run to the benefit of OWNER. If required by ENGINEER, CONTRACTOR shall furnish satisfactory evidence (including reports of required tests) as to the source, kind, and quality of materials and equipment. All materials and equipment shall be stored, applied, installed, connected, erected, protected, used, cleaned, and conditioned in accordance with instructions of the applicable Supplier, except as otherwise may be provided in the Contract Documents.

6.04 *Progress Schedule*

A. CONTRACTOR shall adhere to the progress schedule established in accordance with paragraph 2.07 as it may be adjusted from time to time as provided below.

1. CONTRACTOR shall submit to ENGINEER for acceptance (to the extent indicated in paragraph 2.07) proposed adjustments in the progress schedule that will not result in changing the Contract Times (or Milestones). Such adjustments will conform generally to the progress schedule then in effect and additionally will comply with any provisions of the General Requirements applicable thereto.

2. Proposed adjustments in the progress schedule that will change the Contract Times (or Milestones) shall be submitted in accordance with the requirements of Article 12. Such adjustments may only be made by a Change Order or Written Amendment in accordance with Article 12.

6.05 *Substitutes and "Or-Equals"*

A. Whenever an item of material or equipment is specified or described in the Contract Documents by using the name of a proprietary item or the name of a particular Supplier, the specification or description is intended to establish the type, function, appearance, and quality required. Unless the specification or description contains or is followed by words reading that no like, equivalent, or "or-equal" item or no substitution is permitted, other items of material or equipment or material or equipment of other Suppliers may be submitted to ENGINEER for review under the circumstances described below.

1. *"Or-Equal" Items:* If in ENGINEER's sole discretion an item of material or equipment proposed by CONTRACTOR is functionally equal to that named and sufficiently similar so that no change in related Work will be required, it may be considered by ENGINEER as an "or-equal" item, in which case review and approval of the proposed item may, in ENGINEER's sole discretion, be accomplished without compliance with some or all of the requirements for approval of proposed substitute items. For the purposes of this paragraph 6.05.A.1, a proposed item of material or equipment will be considered functionally equal to an item so named if:

a. in the exercise of reasonable judgment ENGINEER determines that: (i) it is at least equal in quality, durability, appearance, strength, and design characteristics; (ii) it will reliably perform at least equally well the function imposed by the design concept of the completed Project as a functioning whole, and;

b. CONTRACTOR certifies that: (i) there is no increase in cost to the OWNER; and (ii) it will conform substantially, even with deviations, to the detailed requirements of the item named in the Contract Documents.

2. *Substitute Items*

a. If in ENGINEER's sole discretion an item of material or equipment proposed by CONTRACTOR does not qualify as an "or-equal" item under

paragraph 6.05.A.1, it will be considered a proposed substitute item.

b. CONTRACTOR shall submit sufficient information as provided below to allow ENGINEER to determine that the item of material or equipment proposed is essentially equivalent to that named and an acceptable substitute therefor. Requests for review of proposed substitute items of material or equipment will not be accepted by ENGINEER from anyone other than CONTRACTOR.

c. The procedure for review by ENGINEER will be as set forth in paragraph 6.05.A.2.d, as supplemented in the General Requirements and as ENGINEER may decide is appropriate under the circumstances.

d. CONTRACTOR shall first make written application to ENGINEER for review of a proposed substitute item of material or equipment that CONTRACTOR seeks to furnish or use. The application shall certify that the proposed substitute item will perform adequately the functions and achieve the results called for by the general design, be similar in substance to that specified, and be suited to the same use as that specified. The application will state the extent, if any, to which the use of the proposed substitute item will prejudice CONTRACTOR's achievement of Substantial Completion on time, whether or not use of the proposed substitute item in the Work will require a change in any of the Contract Documents (or in the provisions of any other direct contract with OWNER for work on the Project) to adapt the design to the proposed substitute item and whether or not incorporation or use of the proposed substitute item in connection with the Work is subject to payment of any license fee or royalty. All variations of the proposed substitute item from that specified will be identified in the application, and available engineering, sales, maintenance, repair, and replacement services will be indicated. The application will also contain an itemized estimate of all costs or credits that will result directly or indirectly from use of such substitute item, including costs of redesign and claims of other contractors affected by any resulting change, all of which will be considered by ENGINEER in evaluating the proposed substitute item. ENGINEER may require CONTRACTOR to furnish additional data about the proposed substitute item.

B. *Substitute Construction Methods or Procedures:* If a specific means, method, technique, sequence, or procedure of construction is shown or indicated in and expressly required by the Contract Documents, CONTRACTOR may furnish or utilize a substitute means, method, technique, sequence, or procedure of construction approved by ENGINEER. CONTRACTOR shall submit sufficient information to allow ENGINEER, in ENGINEER's sole discretion, to determine that the substitute proposed is equivalent to that expressly called for by the Contract Documents. The procedure for review by ENGINEER will be similar to that provided in subparagraph 6.05.A.2.

C. *Engineer's Evaluation:* ENGINEER will be allowed a reasonable time within which to evaluate each proposal or submittal made pursuant to paragraphs 6.05.A and 6.05.B. ENGINEER will be the sole judge of acceptability. No "or-equal" or substitute will be ordered, installed or utilized until ENGINEER's review is complete, which will be evidenced by either a Change Order for a substitute or an approved Shop Drawing for an "or equal." ENGINEER will advise CONTRACTOR in writing of any negative determination.

D. *Special Guarantee:* OWNER may require CONTRACTOR to furnish at CONTRACTOR's expense a special performance guarantee or other surety with respect to any substitute.

E. *ENGINEER's Cost Reimbursement:* ENGINEER will record time required by ENGINEER and ENGINEER's Consultants in evaluating substitute proposed or submitted by CONTRACTOR pursuant to paragraphs 6.05.A.2 and 6.05.B and in making changes in the Contract Documents (or in the provisions of any other direct contract with OWNER for work on the Project) occasioned thereby. Whether or not ENGINEER approves a substitute item so proposed or submitted by CONTRACTOR, CONTRACTOR shall reimburse OWNER for the charges of ENGINEER and ENGINEER's Consultants for evaluating each such proposed substitute.

F. *CONTRACTOR's Expense:* CONTRACTOR shall provide all data in support of any proposed substitute or "or-equal" at CONTRACTOR's expense.

6.06 *Concerning Subcontractors, Suppliers, and Others*

A. CONTRACTOR shall not employ any Subcontractor, Supplier, or other individual or entity (including those acceptable to OWNER as indicated in paragraph 6.06.B), whether initially or as a replacement, against whom OWNER may have reasonable objection. CONTRACTOR shall not be required to employ any Subcontractor, Supplier, or other individual or entity to furnish or perform any of the Work against whom CONTRACTOR has reasonable objection.

B. If the Supplementary Conditions require the identity of certain Subcontractors, Suppliers, or other individuals or

entities to be submitted to OWNER in advance for acceptance by OWNER by a specified date prior to the Effective Date of the Agreement, and if CONTRACTOR has submitted a list thereof in accordance with the Supplementary Conditions, OWNER's acceptance (either in writing or by failing to make written objection thereto by the date indicated for acceptance or objection in the Bidding Documents or the Contract Documents) of any such Subcontractor, Supplier, or other individual or entity so identified may be revoked on the basis of reasonable objection after due investigation. CONTRACTOR shall submit an acceptable replacement for the rejected Subcontractor, Supplier, or other individual or entity, and the Contract Price will be adjusted by the difference in the cost occasioned by such replacement, and an appropriate Change Order will be issued or Written Amendment signed. No acceptance by OWNER of any such Subcontractor, Supplier, or other individual or entity, whether initially or as a replacement, shall constitute a waiver of any right of OWNER or ENGINEER to reject defective Work.

C. CONTRACTOR shall be fully responsible to OWNER and ENGINEER for all acts and omissions of the Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work just as CONTRACTOR is responsible for CONTRACTOR's own acts and omissions. Nothing in the Contract Documents shall create for the benefit of any such Subcontractor, Supplier, or other individual or entity any contractual relationship between OWNER or ENGINEER and any such Subcontractor, Supplier or other individual or entity, nor shall it create any obligation on the part of OWNER or ENGINEER to pay or to see to the payment of any moneys due any such Subcontractor, Supplier, or other individual or entity except as may otherwise be required by Laws and Regulations.

D. CONTRACTOR shall be solely responsible for scheduling and coordinating the Work of Subcontractors, Suppliers, and other individuals or entities performing or furnishing any of the Work under a direct or indirect contract with CONTRACTOR.

E. CONTRACTOR shall require all Subcontractors, Suppliers, and such other individuals or entities performing or furnishing any of the Work to communicate with ENGINEER through CONTRACTOR.

F. The divisions and sections of the Specifications and the identifications of any Drawings shall not control CONTRACTOR in dividing the Work among Subcontractors or Suppliers or delineating the Work to be performed by any specific trade.

G. All Work performed for CONTRACTOR by a Subcontractor or Supplier will be pursuant to an appropriate agreement between CONTRACTOR and the Subcontractor or Supplier which specifically binds the Subcontractor or Supplier to the applicable terms and conditions of the Contract Documents for the benefit of OWNER and ENGINEER. Whenever any such agreement is with a Subcontractor or Supplier who is listed as an additional insured on the property insurance provided in paragraph 5.06, the agreement between the CONTRACTOR and the Subcontractor or Supplier will contain provisions whereby the Subcontractor or Supplier waives all rights against OWNER, CONTRACTOR, ENGINEER, ENGINEER's Consultants, and all other individuals or entities identified in the Supplementary Conditions to be listed as insureds or additional insureds (and the officers, directors, partners, employees, agents, and other consultants and subcontractors of each and any of them) for all losses and damages caused by, arising out of, relating to, or resulting from any of the perils or causes of loss covered by such policies and any other property insurance applicable to the Work. If the insurers on any such policies require separate waiver forms to be signed by any Subcontractor or Supplier, CONTRACTOR will obtain the same.

6.07 *Patent Fees and Royalties*

A. CONTRACTOR shall pay all license fees and royalties and assume all costs incident to the use in the performance of the Work or the incorporation in the Work of any invention, design, process, product, or device which is the subject of patent rights or copyrights held by others. If a particular invention, design, process, product, or device is specified in the Contract Documents for use in the performance of the Work and if to the actual knowledge of OWNER or ENGINEER its use is subject to patent rights or copyrights calling for the payment of any license fee or royalty to others, the existence of such rights shall be disclosed by OWNER in the Contract Documents. To the fullest extent permitted by Laws and Regulations, CONTRACTOR shall indemnify and hold harmless OWNER, ENGINEER, ENGINEER's Consultants, and the officers, directors, partners, employees or agents, and other consultants of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any infringement of patent rights or copyrights incident to the use in the performance of the Work or resulting from the incorporation in the Work of any invention, design, process, product, or device not specified in the Contract Documents.

6.08 *Permits*

A. Unless otherwise provided in the Supplementary Conditions, CONTRACTOR shall obtain and pay for all construction permits and licenses. OWNER shall assist CONTRACTOR, when necessary, in obtaining such permits

and licenses. CONTRACTOR shall pay all governmental charges and inspection fees necessary for the prosecution of the Work which are applicable at the time of opening of Bids, or, if there are no Bids, on the Effective Date of the Agreement. CONTRACTOR shall pay all charges of utility owners for connections to the Work, and OWNER shall pay all charges of such utility owners for capital costs related thereto, such as plant investment fees.

6.09 *Laws and Regulations*

A. CONTRACTOR shall give all notices and comply with all Laws and Regulations applicable to the performance of the Work. Except where otherwise expressly required by applicable Laws and Regulations, neither OWNER nor ENGINEER shall be responsible for monitoring CONTRACTOR's compliance with any Laws or Regulations.

B. If CONTRACTOR performs any Work knowing or having reason to know that it is contrary to Laws or Regulations, CONTRACTOR shall bear all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such Work; however, it shall not be CONTRACTOR's primary responsibility to make certain that the Specifications and Drawings are in accordance with Laws and Regulations, but this shall not relieve CONTRACTOR of CONTRACTOR's obligations under paragraph 3.03.

C. Changes in Laws or Regulations not known at the time of opening of Bids (or, on the Effective Date of the Agreement if there were no Bids) having an effect on the cost or time of performance of the Work may be the subject of an adjustment in Contract Price or Contract Times. If OWNER and CONTRACTOR are unable to agree on entitlement to or on the amount or extent, if any, of any such adjustment, a Claim may be made therefor as provided in paragraph 10.05.

6.10 *Taxes*

A. CONTRACTOR shall pay all sales, consumer, use, and other similar taxes required to be paid by CONTRACTOR in accordance with the Laws and Regulations of the place of the Project which are applicable during the performance of the Work.

6.11 *Use of Site and Other Areas*

A. *Limitation on Use of Site and Other Areas*

1. CONTRACTOR shall confine construction equipment, the storage of materials and equipment, and the operations of workers to the Site and other areas permitted by Laws and Regulations, and shall not unreasonably encumber the Site and other areas with construction equipment or other materials or equipment. CONTRACTOR shall assume full responsibility for any damage to any such land or area, or to the owner or occupant thereof, or of any adjacent land or areas resulting from the performance of the Work.

2. Should any claim be made by any such owner or occupant because of the performance of the Work, CONTRACTOR shall promptly settle with such other party by negotiation or otherwise resolve the claim by arbitration or other dispute resolution proceeding or at law.

3. To the fullest extent permitted by Laws and Regulations, CONTRACTOR shall indemnify and hold harmless OWNER, ENGINEER, ENGINEER's Consultant, and the officers, directors, partners, employees, agents, and other consultants of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to any claim or action, legal or equitable, brought by any such owner or occupant against OWNER, ENGINEER, or any other party indemnified hereunder to the extent caused by or based upon CONTRACTOR's performance of the Work.

B. *Removal of Debris During Performance of the Work:* During the progress of the Work CONTRACTOR shall keep the Site and other areas free from accumulations of waste materials, rubbish, and other debris. Removal and disposal of such waste materials, rubbish, and other debris shall conform to applicable Laws and Regulations.

C. *Cleaning:* Prior to Substantial Completion of the Work CONTRACTOR shall clean the Site and make it ready for utilization by OWNER. At the completion of the Work CONTRACTOR shall remove from the Site all tools, appliances, construction equipment and machinery, and surplus materials and shall restore to original condition all property not designated for alteration by the Contract Documents.

D. *Loading Structures:* CONTRACTOR shall not load nor permit any part of any structure to be loaded in any manner that will endanger the structure, nor shall CONTRACTOR subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

6.12 *Record Documents*

A. CONTRACTOR shall maintain in a safe place at the Site one record copy of all Drawings, Specifications, Addenda, Written Amendments, Change Orders, Work

Change Directives, Field Orders, and written interpretations and clarifications in good order and annotated to show changes made during construction. These record documents together with all approved Samples and a counterpart of all approved Shop Drawings will be available to ENGINEER for reference. Upon completion of the Work, these record documents, Samples, and Shop Drawings will be delivered to ENGINEER for OWNER.

6.13 *Safety and Protection*

A. CONTRACTOR shall be solely responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the Work. CONTRACTOR shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury or loss to:

1. all persons on the Site or who may be affected by the Work;

2. all the Work and materials and equipment to be incorporated therein, whether in storage on or off the Site; and

3. other property at the Site or adjacent thereto, including trees, shrubs, lawns, walks, pavements, roadways, structures, utilities, and Underground Facilities not designated for removal, relocation, or replacement in the course of construction.

B. CONTRACTOR shall comply with all applicable Laws and Regulations relating to the safety of persons or property, or to the protection of persons or property from damage, injury, or loss; and shall erect and maintain all necessary safeguards for such safety and protection. CONTRACTOR shall notify owners of adjacent property and of Underground Facilities and other utility owners when prosecution of the Work may affect them, and shall cooperate with them in the protection, removal, relocation, and replacement of their property. All damage, injury, or loss to any property referred to in paragraph 6.13.A.2 or 6.13.A.3 caused, directly or indirectly, in whole or in part, by CONTRACTOR, any Subcontractor, Supplier, or any other individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, shall be remedied by CONTRACTOR (except damage or loss attributable to the fault of Drawings or Specifications or to the acts or omissions of OWNER or ENGINEER or ENGINEER's Consultant, or anyone employed by any of them, or anyone for whose acts any of them may be liable, and not attributable, directly or indirectly, in whole or in part, to the fault or negligence of CONTRACTOR or any Subcontractor, Supplier, or other individual or entity directly or indirectly employed by any of them). CONTRACTOR's duties and responsibilities for safety and for protection of the Work shall continue until such time as all the Work is completed and ENGINEER has issued a notice to OWNER and CONTRACTOR in accordance with paragraph 14.07.B that the Work is acceptable (except as otherwise expressly provided in connection with Substantial Completion).

6.14 *Safety Representative*

A. CONTRACTOR shall designate a qualified and experienced safety representative at the Site whose duties and responsibilities shall be the prevention of accidents and the maintaining and supervising of safety precautions and programs.

6.15 *Hazard Communication Programs*

A. CONTRACTOR shall be responsible for coordinating any exchange of material safety data sheets or other hazard communication information required to be made available to or exchanged between or among employers at the Site in accordance with Laws or Regulations.

6.16 *Emergencies*

A. In emergencies affecting the safety or protection of persons or the Work or property at the Site or adjacent thereto, CONTRACTOR is obligated to act to prevent threatened damage, injury, or loss. CONTRACTOR shall give ENGINEER prompt written notice if CONTRACTOR believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby or are required as a result thereof. If ENGINEER determines that a change in the Contract Documents is required because of the action taken by CONTRACTOR in response to such an emergency, a Work Change Directive or Change Order will be issued.

6.17 *Shop Drawings and Samples*

A. CONTRACTOR shall submit Shop Drawings to ENGINEER for review and approval in accordance with the acceptable schedule of Shop Drawings and Sample submittals. All submittals will be identified as ENGINEER may require and in the number of copies specified in the General Requirements. The data shown on the Shop Drawings will be complete with respect to quantities, dimensions, specified performance and design criteria, materials, and similar data to show ENGINEER the services, materials, and equipment CONTRACTOR proposes to provide and to enable ENGINEER to review the information for the limited purposes required by paragraph 6.17.E.

B. CONTRACTOR shall also submit Samples to ENGINEER for review and approval in accordance with the acceptable schedule of Shop Drawings and Sample

submittals. Each Sample will be identified clearly as to material, Supplier, pertinent data such as catalog numbers, and the use for which intended and otherwise as ENGINEER may require to enable ENGINEER to review the submittal for the limited purposes required by paragraph 6.17.E. The numbers of each Sample to be submitted will be as specified in the Specifications.

C. Where a Shop Drawing or Sample is required by the Contract Documents or the schedule of Shop Drawings and Sample submittals acceptable to ENGINEER as required by paragraph 2.07, any related Work performed prior to ENGINEER's review and approval of the pertinent submittal will be at the sole expense and responsibility of CONTRACTOR.

D. *Submittal Procedures*

1. Before submitting each Shop Drawing or Sample, CONTRACTOR shall have determined and verified:

a. all field measurements, quantities, dimensions, specified performance criteria, installation requirements, materials, catalog numbers, and similar information with respect thereto;

b. all materials with respect to intended use, fabrication, shipping, handling, storage, assembly, and installation pertaining to the performance of the Work;

c. all information relative to means, methods, techniques, sequences, and procedures of construction and safety precautions and programs incident thereto; and

d. CONTRACTOR shall also have reviewed and coordinated each Shop Drawing or Sample with other Shop Drawings and Samples and with the requirements of the Work and the Contract Documents.

2. Each submittal shall bear a stamp or specific written indication that CONTRACTOR has satisfied CONTRACTOR's obligations under the Contract Documents with respect to CONTRACTOR's review and approval of that submittal.

3. At the time of each submittal, CONTRACTOR shall give ENGINEER specific written notice of such variations, if any, that the Shop Drawing or Sample submitted may have from the requirements of the Contract Documents, such notice to be in a written communication separate from the submittal; and, in addition, shall cause a specific notation to be made on each Shop Drawing and Sample submitted to ENGINEER for review and approval of each such variation.

E. *ENGINEER's Review*

1. ENGINEER will timely review and approve Shop Drawings and Samples in accordance with the schedule of Shop Drawings and Sample submittals acceptable to ENGINEER. ENGINEER's review and approval will be only to determine if the items covered by the submittals will, after installation or incorporation in the Work, conform to the information given in the Contract Documents and be compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents.

2. ENGINEER's review and approval will not extend to means, methods, techniques, sequences, or procedures of construction (except where a particular means, method, technique, sequence, or procedure of construction is specifically and expressly called for by the Contract Documents) or to safety precautions or programs incident thereto. The review and approval of a separate item as such will not indicate approval of the assembly in which the item functions.

3. ENGINEER's review and approval of Shop Drawings or Samples shall not relieve CONTRACTOR from responsibility for any variation from the requirements of the Contract Documents unless CONTRACTOR has in writing called ENGINEER's attention to each such variation at the time of each submittal as required by paragraph 6.17.D.3 and ENGINEER has given written approval of each such variation by specific written notation thereof incorporated in or accompanying the Shop Drawing or Sample approval; nor will any approval by ENGINEER relieve CONTRACTOR from responsibility for complying with the requirements of paragraph 6.17.D.1.

F. *Resubmittal Procedures*

1. CONTRACTOR shall make corrections required by ENGINEER and shall return the required number of corrected copies of Shop Drawings and submit as required new Samples for review and approval. CONTRACTOR shall direct specific attention in writing to revisions other than the corrections called for by ENGINEER on previous submittals.

6.18 *Continuing the Work*

A. CONTRACTOR shall carry on the Work and adhere to the progress schedule during all disputes or disagreements with OWNER. No Work shall be delayed or postponed pending resolution of any disputes or disagreements, except

as permitted by paragraph 15.04 or as OWNER and CONTRACTOR may otherwise agree in writing.

6.19 *CONTRACTOR's General Warranty and Guarantee*

A. CONTRACTOR warrants and guarantees to OWNER, ENGINEER, and ENGINEER's Consultants that all Work will be in accordance with the Contract Documents and will not be defective. CONTRACTOR's warranty and guarantee hereunder excludes defects or damage caused by:

1. abuse, modification, or improper maintenance or operation by persons other than CONTRACTOR, Subcontractors, Suppliers, or any other individual or entity for whom CONTRACTOR is responsible; or

2. normal wear and tear under normal usage.

B. CONTRACTOR's obligation to perform and complete the Work in accordance with the Contract Documents shall be absolute. None of the following will constitute an acceptance of Work that is not in accordance with the Contract Documents or a release of CONTRACTOR's obligation to perform the Work in accordance with the Contract Documents:

1. observations by ENGINEER;

2. recommendation by ENGINEER or payment by OWNER of any progress or final payment;

3. the issuance of a certificate of Substantial Completion by ENGINEER or any payment related thereto by OWNER;

4. use or occupancy of the Work or any part thereof by OWNER;

5. any acceptance by OWNER or any failure to do so;

6. any review and approval of a Shop Drawing or Sample submittal or the issuance of a notice of acceptability by ENGINEER;

7. any inspection, test, or approval by others; or

8. any correction of defective Work by OWNER.

6.20 *Indemnification*

A. To the fullest extent permitted by Laws and Regulations, CONTRACTOR shall indemnify and hold harmless OWNER, ENGINEER, ENGINEER's Consultants, and the officers, directors, partners, employees, agents, and other consultants and subcontractors of each and any of them from and against all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to the performance of the Work, provided that any such claim, cost, loss, or damage:

1. is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom; and

2. is caused in whole or in part by any negligent act or omission of CONTRACTOR, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work or anyone for whose acts any of them may be liable, regardless of whether or not caused in part by any negligence or omission of an individual or entity indemnified hereunder or whether liability is imposed upon such indemnified party by Laws and Regulations regardless of the negligence of any such individual or entity.

B. In any and all claims against OWNER or ENGINEER or any of their respective consultants, agents, officers, directors, partners, or employees by any employee (or the survivor or personal representative of such employee) of CONTRACTOR, any Subcontractor, any Supplier, or any individual or entity directly or indirectly employed by any of them to perform any of the Work, or anyone for whose acts any of them may be liable, the indemnification obligation under paragraph 6.20.A shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for CONTRACTOR or any such Subcontractor, Supplier, or other individual or entity under workers' compensation acts, disability benefit acts, or other employee benefit acts.

C. The indemnification obligations of CONTRACTOR under paragraph 6.20.A shall not extend to the liability of ENGINEER and ENGINEER's Consultants or to the officers, directors, partners, employees, agents, and other consultants and subcontractors of each and any of them arising out of:

1. the preparation or approval of, or the failure to prepare or approve, maps, Drawings, opinions, reports, surveys, Change Orders, designs, or Specifications; or

2. giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.

ARTICLE 7 - OTHER WORK

7.01 *Related Work at Site*

A. OWNER may perform other work related to the Project at the Site by OWNER's employees, or let other direct contracts therefor, or have other work performed by utility owners. If such other work is not noted in the Contract Documents, then:

1. written notice thereof will be given to CONTRACTOR prior to starting any such other work; and

2. if OWNER and CONTRACTOR are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in the Contract Price or Contract Times that should be allowed as a result of such other work, a Claim may be made therefor as provided in paragraph 10.05.

B. CONTRACTOR shall afford each other contractor who is a party to such a direct contract and each utility owner (and OWNER, if OWNER is performing the other work with OWNER's employees) proper and safe access to the Site and a reasonable opportunity for the introduction and storage of materials and equipment and the execution of such other work and shall properly coordinate the Work with theirs. Unless otherwise provided in the Contract Documents, CONTRACTOR shall do all cutting, fitting, and patching of the Work that may be required to properly connect or otherwise make its several parts come together and properly integrate with such other work. CONTRACTOR shall not endanger any work of others by cutting, excavating, or otherwise altering their work and will only cut or alter their work with the written consent of ENGINEER and the others whose work will be affected. The duties and responsibilities of CONTRACTOR under this paragraph are for the benefit of such utility owners and other contractors to the extent that there are comparable provisions for the benefit of CONTRACTOR in said direct contracts between OWNER and such utility owners and other contractors.

C. If the proper execution or results of any part of CONTRACTOR's Work depends upon work performed by others under this Article 7, CONTRACTOR shall inspect such other work and promptly report to ENGINEER in writing any delays, defects, or deficiencies in such other work that render it unavailable or unsuitable for the proper execution and results of CONTRACTOR's Work. CONTRACTOR's failure to so report will constitute an acceptance of such other work as fit and proper for integration with CONTRACTOR's Work except for latent defects and deficiencies in such other work.

7.02 *Coordination*

A. If OWNER intends to contract with others for the performance of other work on the Project at the Site, the following will be set forth in Supplementary Conditions:

1. the individual or entity who will have authority and responsibility for coordination of the activities among the various contractors will be identified;

2. the specific matters to be covered by such authority and responsibility will be itemized; and

3. the extent of such authority and responsibilities will be provided.

B. Unless otherwise provided in the Supplementary Conditions, OWNER shall have sole authority and responsibility for such coordination.

ARTICLE 8 - OWNER'S RESPONSIBILITIES

8.01 *Communications to Contractor*

A. Except as otherwise provided in these General Conditions, OWNER shall issue all communications to CONTRACTOR through ENGINEER.

8.02 *Replacement of ENGINEER*

A. In case of termination of the employment of ENGINEER, OWNER shall appoint an engineer to whom CONTRACTOR makes no reasonable objection, whose status under the Contract Documents shall be that of the former ENGINEER.

8.03 *Furnish Data*

A. OWNER shall promptly furnish the data required of OWNER under the Contract Documents.

8.04 *Pay Promptly When Due*

A. OWNER shall make payments to CONTRACTOR promptly when they are due as provided in paragraphs 14.02.C and 14.07.C.

8.05 *Lands and Easements; Reports and Tests*

A. OWNER's duties in respect of providing lands and easements and providing engineering surveys to establish reference points are set forth in paragraphs 4.01 and 4.05. Paragraph 4.02 refers to OWNER's identifying and making available to CONTRACTOR copies of reports of explorations

and tests of subsurface conditions and drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the Site that have been utilized by ENGINEER in preparing the Contract Documents.

8.06 *Insurance*

A. OWNER's responsibilities, if any, in respect to purchasing and maintaining liability and property insurance are set forth in Article 5.

8.07 *Change Orders*

A. OWNER is obligated to execute Change Orders as indicated in paragraph 10.03.

8.08 *Inspections, Tests, and Approvals*

A. OWNER's responsibility in respect to certain inspections, tests, and approvals is set forth in paragraph 13.03.B.

8.09 *Limitations on OWNER's Responsibilities*

A. The OWNER shall not supervise, direct, or have control or authority over, nor be responsible for, CONTRACTOR's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of CONTRACTOR to comply with Laws and Regulations applicable to the performance of the Work. OWNER will not be responsible for CONTRACTOR's failure to perform the Work in accordance with the Contract Documents.

8.10 *Undisclosed Hazardous Environmental Condition*

A. OWNER's responsibility in respect to an undisclosed Hazardous Environmental Condition is set forth in paragraph 4.06.

8.11 *Evidence of Financial Arrangements*

A. If and to the extent OWNER has agreed to furnish CONTRACTOR reasonable evidence that financial arrangements have been made to satisfy OWNER's obligations under the Contract Documents, OWNER's responsibility in respect thereof will be as set forth in the Supplementary Conditions.

ARTICLE 9 - ENGINEER'S STATUS DURING CONSTRUCTION

9.01 *OWNER'S Representative*

A. ENGINEER will be OWNER's representative during the construction period. The duties and responsibilities and the limitations of authority of ENGINEER as OWNER's representative during construction are set forth in the Contract Documents and will not be changed without written consent of OWNER and ENGINEER.

9.02 *Visits to Site*

A. ENGINEER will make visits to the Site at intervals appropriate to the various stages of construction as ENGINEER deems necessary in order to observe as an experienced and qualified design professional the progress that has been made and the quality of the various aspects of CONTRACTOR's executed Work. Based on information obtained during such visits and observations, ENGINEER, for the benefit of OWNER, will determine, in general, if the Work is proceeding in accordance with the Contract Documents. ENGINEER will not be required to make exhaustive or continuous inspections on the Site to check the quality or quantity of the Work. ENGINEER's efforts will be directed toward providing for OWNER a greater degree of confidence that the completed Work will conform generally to the Contract Documents. On the basis of such visits and observations, ENGINEER will keep OWNER informed of the progress of the Work and will endeavor to guard OWNER against defective Work.

B. ENGINEER's visits and observations are subject to all the limitations on ENGINEER's authority and responsibility set forth in paragraph 9.10, and particularly, but without limitation, during or as a result of ENGINEER's visits or observations of CONTRACTOR's Work ENGINEER will not supervise, direct, control, or have authority over or be responsible for CONTRACTOR's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of CONTRACTOR to comply with Laws and Regulations applicable to the performance of the Work.

9.03 *Project Representative*

A. If OWNER and ENGINEER agree, ENGINEER will furnish a Resident Project Representative to assist ENGINEER in providing more extensive observation of the Work. The responsibilities and authority and limitations thereon of any such Resident Project Representative and assistants will be as provided in paragraph 9.10 and in the Supplementary Conditions. If OWNER designates another

representative or agent to represent OWNER at the Site who is not ENGINEER's Consultant, agent or employee, the responsibilities and authority and limitations thereon of such other individual or entity will be as provided in the Supplementary Conditions.

9.04 *Clarifications and Interpretations*

A. ENGINEER will issue with reasonable promptness such written clarifications or interpretations of the requirements of the Contract Documents as ENGINEER may determine necessary, which shall be consistent with the intent of and reasonably inferable from the Contract Documents. Such written clarifications and interpretations will be binding on OWNER and CONTRACTOR. If OWNER and CONTRACTOR are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in the Contract Price or Contract Times, or both, that should be allowed as a result of a written clarification or interpretation, a Claim may be made therefor as provided in paragraph 10.05.

9.05 *Authorized Variations in Work*

A. ENGINEER may authorize minor variations in the Work from the requirements of the Contract Documents which do not involve an adjustment in the Contract Price or the Contract Times and are compatible with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. These may be accomplished by a Field Order and will be binding on OWNER and also on CONTRACTOR, who shall perform the Work involved promptly. If OWNER and CONTRACTOR are unable to agree on entitlement to or on the amount or extent, if any, of any adjustment in the Contract Price or Contract Times, or both, as a result of a Field Order, a Claim may be made therefor as provided in paragraph 10.05.

9.06 *Rejecting Defective Work*

A. ENGINEER will have authority to disapprove or reject Work which ENGINEER believes to be defective, or that ENGINEER believes will not produce a completed Project that conforms to the Contract Documents or that will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. ENGINEER will also have authority to require special inspection or testing of the Work as provided in paragraph 13.04, whether or not the Work is fabricated, installed, or completed.

9.07 *Shop Drawings, Change Orders and Payments*

A. In connection with ENGINEER's authority as to Shop Drawings and Samples, see paragraph 6.17.

B. In connection with ENGINEER's authority as to Change Orders, see Articles 10, 11, and 12.

C. In connection with ENGINEER's authority as to Applications for Payment, see Article 14.

9.08 *Determinations for Unit Price Work*

A. ENGINEER will determine the actual quantities and classifications of Unit Price Work performed by CONTRACTOR. ENGINEER will review with CONTRACTOR the ENGINEER's preliminary determinations on such matters before rendering a written decision thereon (by recommendation of an Application for Payment or otherwise). ENGINEER's written decision thereon will be final and binding (except as modified by ENGINEER to reflect changed factual conditions or more accurate data) upon OWNER and CONTRACTOR, subject to the provisions of paragraph 10.05.

9.09 *Decisions on Requirements of Contract Documents and Acceptability of Work*

A. ENGINEER will be the initial interpreter of the requirements of the Contract Documents and judge of the acceptability of the Work thereunder. Claims, disputes and other matters relating to the acceptability of the Work, the quantities and classifications of Unit Price Work, the interpretation of the requirements of the Contract Documents pertaining to the performance of the Work, and Claims seeking changes in the Contract Price or Contract Times will be referred initially to ENGINEER in writing, in accordance with the provisions of paragraph 10.05, with a request for a formal decision.

B. When functioning as interpreter and judge under this paragraph 9.09, ENGINEER will not show partiality to OWNER or CONTRACTOR and will not be liable in connection with any interpretation or decision rendered in good faith in such capacity. The rendering of a decision by ENGINEER pursuant to this paragraph 9.09 with respect to any such Claim, dispute, or other matter (except any which have been waived by the making or acceptance of final payment as provided in paragraph 14.07) will be a condition precedent to any exercise by OWNER or CONTRACTOR of such rights or remedies as either may otherwise have under the Contract Documents or by Laws or Regulations in respect of any such Claim, dispute, or other matter.

9.10 *Limitations on ENGINEER's Authority and Responsibilities*

A. Neither ENGINEER's authority or responsibility under this Article 9 or under any other provision of the Contract Documents nor any decision made by ENGINEER in good faith either to exercise or not exercise such authority

or responsibility or the undertaking, exercise, or performance of any authority or responsibility by ENGINEER shall create, impose, or give rise to any duty in contract, tort, or otherwise owed by ENGINEER to CONTRACTOR, any Subcontractor, any Supplier, any other individual or entity, or to any surety for or employee or agent of any of them.

B. ENGINEER will not supervise, direct, control, or have authority over or be responsible for CONTRACTOR's means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for any failure of CONTRACTOR to comply with Laws and Regulations applicable to the performance of the Work. ENGINEER will not be responsible for CONTRACTOR's failure to perform the Work in accordance with the Contract Documents.

C. ENGINEER will not be responsible for the acts or omissions of CONTRACTOR or of any Subcontractor, any Supplier, or of any other individual or entity performing any of the Work.

D. ENGINEER's review of the final Application for Payment and accompanying documentation and all maintenance and operating instructions, schedules, guarantees, Bonds, certificates of inspection, tests and approvals, and other documentation required to be delivered by paragraph 14.07.A will only be to determine generally that their content complies with the requirements of, and in the case of certificates of inspections, tests, and approvals that the results certified indicate compliance with, the Contract Documents.

E. The limitations upon authority and responsibility set forth in this paragraph 9.10 shall also apply to ENGINEER's Consultants, Resident Project Representative, and assistants.

ARTICLE 10 - CHANGES IN THE WORK; CLAIMS

10.01 *Authorized Changes in the Work*

A. Without invalidating the Agreement and without notice to any surety, OWNER may, at any time or from time to time, order additions, deletions, or revisions in the Work by a Written Amendment, a Change Order, or a Work Change Directive. Upon receipt of any such document, CONTRACTOR shall promptly proceed with the Work involved which will be performed under the applicable conditions of the Contract Documents (except as otherwise specifically provided).

B. If OWNER and CONTRACTOR are unable to agree on entitlement to, or on the amount or extent, if any, of an adjustment in the Contract Price or Contract Times, or both, that should be allowed as a result of a Work Change Directive, a Claim may be made therefor as provided in paragraph 10.05.

10.02 *Unauthorized Changes in the Work*

A. CONTRACTOR shall not be entitled to an increase in the Contract Price or an extension of the Contract Times with respect to any work performed that is not required by the Contract Documents as amended, modified, or supplemented as provided in paragraph 3.04, except in the case of an emergency as provided in paragraph 6.16 or in the case of uncovering Work as provided in paragraph 13.04.B.

10.03 *Execution of Change Orders*

A. OWNER and CONTRACTOR shall execute appropriate Change Orders recommended by ENGINEER (or Written Amendments) covering:

1. changes in the Work which are: (i) ordered by OWNER pursuant to paragraph 10.01.A, (ii) required because of acceptance of defective Work under paragraph 13.08.A or OWNER's correction of defective Work under paragraph 13.09, or (iii) agreed to by the parties;

2. changes in the Contract Price or Contract Times which are agreed to by the parties, including any undisputed sum or amount of time for Work actually performed in accordance with a Work Change Directive; and

3. changes in the Contract Price or Contract Times which embody the substance of any written decision rendered by ENGINEER pursuant to paragraph 10.05; provided that, in lieu of executing any such Change Order, an appeal may be taken from any such decision in accordance with the provisions of the Contract Documents and applicable Laws and Regulations, but during any such appeal, CONTRACTOR shall carry on the Work and adhere to the progress schedule as provided in paragraph 6.18.A.

10.04 *Notification to Surety*

A. If notice of any change affecting the general scope of the Work or the provisions of the Contract Documents (including, but not limited to, Contract Price or Contract Times) is required by the provisions of any Bond to be given to a surety, the giving of any such notice will be CONTRACTOR's responsibility. The amount of each applicable Bond will be adjusted to reflect the effect of any such change.

10.05 *Claims and Disputes*

A. *Notice:* Written notice stating the general nature of each Claim, dispute, or other matter shall be delivered by the claimant to ENGINEER and the other party to the Contract promptly (but in no event later than 30 days) after the start of the event giving rise thereto. Notice of the amount or extent of the Claim, dispute, or other matter with supporting data shall be delivered to the ENGINEER and the other party to the Contract within 60 days after the start of such event (unless ENGINEER allows additional time for claimant to submit additional or more accurate data in support of such Claim, dispute, or other matter). A Claim for an adjustment in Contract Price shall be prepared in accordance with the provisions of paragraph 12.01.B. A Claim for an adjustment in Contract Time shall be prepared in accordance with the provisions of paragraph 12.02.B. Each Claim shall be accompanied by claimant's written statement that the adjustment claimed is the entire adjustment to which the claimant believes it is entitled as a result of said event. The opposing party shall submit any response to ENGINEER and the claimant within 30 days after receipt of the claimant's last submittal (unless ENGINEER allows additional time).

B. *ENGINEER's Decision:* ENGINEER will render a formal decision in writing within 30 days after receipt of the last submittal of the claimant or the last submittal of the opposing party, if any. ENGINEER's written decision on such Claim, dispute, or other matter will be final and binding upon OWNER and CONTRACTOR unless:

1. an appeal from ENGINEER's decision is taken within the time limits and in accordance with the dispute resolution procedures set forth in Article 16; or

2. if no such dispute resolution procedures have been set forth in Article 16, a written notice of intention to appeal from ENGINEER's written decision is delivered by OWNER or CONTRACTOR to the other and to ENGINEER within 30 days after the date of such decision, and a formal proceeding is instituted by the appealing party in a forum of competent jurisdiction within 60 days after the date of such decision or within 60 days after Substantial Completion, whichever is later (unless otherwise agreed in writing by OWNER and CONTRACTOR), to exercise such rights or remedies as the appealing party may have with respect to such Claim, dispute, or other matter in accordance with applicable Laws and Regulations.

C. If ENGINEER does not render a formal decision in writing within the time stated in paragraph 10.05.B, a decision denying the Claim in its entirety shall be deemed to have been issued 31 days after receipt of the last submittal of the claimant or the last submittal of the opposing party, if any.

D. No Claim for an adjustment in Contract Price or Contract Times (or Milestones) will be valid if not submitted in accordance with this paragraph 10.05.

ARTICLE 11 - COST OF THE WORK; CASH ALLOWANCES; UNIT PRICE WORK

11.01 *Cost of the Work*

A. *Costs Included:* The term Cost of the Work means the sum of all costs necessarily incurred and paid by CONTRACTOR in the proper performance of the Work. When the value of any Work covered by a Change Order or when a Claim for an adjustment in Contract Price is determined on the basis of Cost of the Work, the costs to be reimbursed to CONTRACTOR will be only those additional or incremental costs required because of the change in the Work or because of the event giving rise to the Claim. Except as otherwise may be agreed to in writing by OWNER, such costs shall be in amounts no higher than those prevailing in the locality of the Project, shall include only the following items, and shall not include any of the costs itemized in paragraph 11.01.B.

1. Payroll costs for employees in the direct employ of CONTRACTOR in the performance of the Work under schedules of job classifications agreed upon by OWNER and CONTRACTOR. Such employees shall include without limitation superintendents, foremen, and other personnel employed full time at the Site. Payroll costs for employees not employed full time on the Work shall be apportioned on the basis of their time spent on the Work. Payroll costs shall include, but not be limited to, salaries and wages plus the cost of fringe benefits, which shall include social security contributions, unemployment, excise, and payroll taxes, workers' compensation, health and retirement benefits, bonuses, sick leave, vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours, on Saturday, Sunday, or legal holidays, shall be included in the above to the extent authorized by OWNER.

2. Cost of all materials and equipment furnished and incorporated in the Work, including costs of transportation and storage thereof, and Suppliers' field services required in connection therewith. All cash discounts shall accrue to CONTRACTOR unless OWNER deposits funds with CONTRACTOR with which to make payments, in which case the cash discounts shall accrue to OWNER. All trade discounts, rebates and refunds and returns from sale of surplus materials and equipment shall accrue to OWNER, and CONTRACTOR shall make provisions so that they may be obtained.

3. Payments made by CONTRACTOR to Subcontractors for Work performed by Subcontractors. If required by OWNER, CONTRACTOR shall obtain competitive bids from subcontractors acceptable to OWNER and CONTRACTOR and shall deliver such bids to OWNER, who will then determine, with the advice of ENGINEER, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee shall be determined in the same manner as CONTRACTOR's Cost of the Work and fee as provided in this paragraph 11.01.

4. Costs of special consultants (including but not limited to engineers, architects, testing laboratories, surveyors, attorneys, and accountants) employed for services specifically related to the Work.

5. Supplemental costs including the following:

a. The proportion of necessary transportation, travel, and subsistence expenses of CONTRACTOR's employees incurred in discharge of duties connected with the Work.

b. Cost, including transportation and maintenance, of all materials, supplies, equipment, machinery, appliances, office, and temporary facilities at the Site, and hand tools not owned by the workers, which are consumed in the performance of the Work, and cost, less market value, of such items used but not consumed which remain the property of CONTRACTOR.

c. Rentals of all construction equipment and machinery, and the parts thereof whether rented from CONTRACTOR or others in accordance with rental agreements approved by OWNER with the advice of ENGINEER, and the costs of transportation, loading, unloading, assembly, dismantling, and removal thereof. All such costs shall be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts shall cease when the use thereof is no longer necessary for the Work.

d. Sales, consumer, use, and other similar taxes related to the Work, and for which CONTRACTOR is liable, imposed by Laws and Regulations.

e. Deposits lost for causes other than negligence of CONTRACTOR, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, and royalty payments and fees for permits and licenses.

f. Losses and damages (and related expenses) caused by damage to the Work, not compensated by insurance or otherwise, sustained by CONTRACTOR in connection with the performance of the Work (except losses and damages within the deductible amounts of property insurance established in accordance with paragraph 5.06.D), provided such losses and damages have resulted from causes other than the negligence of CONTRACTOR, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable. Such losses shall include settlements made with the written consent and approval of OWNER. No such losses, damages, and expenses shall be included in the Cost of the Work for the purpose of determining CONTRACTOR's fee.

g. The cost of utilities, fuel, and sanitary facilities at the Site.

h. Minor expenses such as telegrams, long distance telephone calls, telephone service at the Site, expressage, and similar petty cash items in connection with the Work.

i. When the Cost of the Work is used to determine the value of a Change Order or of a Claim, the cost of premiums for additional Bonds and insurance required because of the changes in the Work or caused by the event giving rise to the Claim.

j. When all the Work is performed on the basis of cost-plus, the costs of premiums for all Bonds and insurance CONTRACTOR is required by the Contract Documents to purchase and maintain.

B. *Costs Excluded:* The term Cost of the Work shall not include any of the following items:

1. Payroll costs and other compensation of CONTRACTOR's officers, executives, principals (of partnerships and sole proprietorships), general managers, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expediters, timekeepers, clerks, and other personnel employed by CONTRACTOR, whether at the Site or in CONTRACTOR's principal or branch office for general administration of the Work and not specifically included in the agreed upon schedule of job classifications referred to in paragraph 11.01.A.1 or specifically covered by paragraph 11.01.A.4, all of which are to be

considered administrative costs covered by the CONTRACTOR's fee.

2. Expenses of CONTRACTOR's principal and branch offices other than CONTRACTOR's office at the Site.

3. Any part of CONTRACTOR's capital expenses, including interest on CONTRACTOR's capital employed for the Work and charges against CONTRACTOR for delinquent payments.

4. Costs due to the negligence of CONTRACTOR, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable, including but not limited to, the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property.

5. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in paragraphs 11.01.A and 11.01.B.

C. *CONTRACTOR's Fee:* When all the Work is performed on the basis of cost-plus, CONTRACTOR's fee shall be determined as set forth in the Agreement. When the value of any Work covered by a Change Order or when a Claim for an adjustment in Contract Price is determined on the basis of Cost of the Work, CONTRACTOR's fee shall be determined as set forth in paragraph 12.01.C.

D. *Documentation:* Whenever the Cost of the Work for any purpose is to be determined pursuant to paragraphs 11.01.A and 11.01.B, CONTRACTOR will establish and maintain records thereof in accordance with generally accepted accounting practices and submit in a form acceptable to ENGINEER an itemized cost breakdown together with supporting data.

11.02 *Cash Allowances*

A. It is understood that CONTRACTOR has included in the Contract Price all allowances so named in the Contract Documents and shall cause the Work so covered to be performed for such sums as may be acceptable to OWNER and ENGINEER. CONTRACTOR agrees that:

1. the allowances include the cost to CONTRACTOR (less any applicable trade discounts) of materials and equipment required by the allowances to be delivered at the Site, and all applicable taxes; and

2. CONTRACTOR's costs for unloading and handling on the Site, labor, installation costs, overhead, profit, and other expenses contemplated for the allowances have been included in the Contract Price and not in the allowances, and no demand for additional payment on account of any of the foregoing will be valid.

B. Prior to final payment, an appropriate Change Order will be issued as recommended by ENGINEER to reflect actual amounts due CONTRACTOR on account of Work covered by allowances, and the Contract Price shall be correspondingly adjusted.

11.03 *Unit Price Work*

A. Where the Contract Documents provide that all or part of the Work is to be Unit Price Work, initially the Contract Price will be deemed to include for all Unit Price Work an amount equal to the sum of the unit price for each separately identified item of Unit Price Work times the estimated quantity of each item as indicated in the Agreement. The estimated quantities of items of Unit Price Work are not guaranteed and are solely for the purpose of comparison of Bids and determining an initial Contract Price. Determinations of the actual quantities and classifications of Unit Price Work performed by CONTRACTOR will be made by ENGINEER subject to the provisions of paragraph 9.08.

B. Each unit price will be deemed to include an amount considered by CONTRACTOR to be adequate to cover CONTRACTOR's overhead and profit for each separately identified item.

C. OWNER or CONTRACTOR may make a Claim for an adjustment in the Contract Price in accordance with paragraph 10.05 if:

1. the quantity of any item of Unit Price Work performed by CONTRACTOR differs materially and significantly from the estimated quantity of such item indicated in the Agreement; and

2. there is no corresponding adjustment with respect any other item of Work; and

3. if CONTRACTOR believes that CONTRACTOR is entitled to an increase in Contract Price as a result of having incurred additional expense or OWNER believes that OWNER is entitled to a decrease in Contract Price and the parties are unable to agree as to the amount of any such increase or decrease.

ARTICLE 12 - CHANGE OF CONTRACT PRICE; CHANGE OF CONTRACT TIMES

12.01 *Change of Contract Price*

A. The Contract Price may only be changed by a Change Order or by a Written Amendment. Any Claim for an adjustment in the Contract Price shall be based on written notice submitted by the party making the Claim to the ENGINEER and the other party to the Contract in accordance with the provisions of paragraph 10.05.

B. The value of any Work covered by a Change Order or of any Claim for an adjustment in the Contract Price will be determined as follows:

1. where the Work involved is covered by unit prices contained in the Contract Documents, by application of such unit prices to the quantities of the items involved (subject to the provisions of paragraph 11.03); or

2. where the Work involved is not covered by unit prices contained in the Contract Documents, by a mutually agreed lump sum (which may include an allowance for overhead and profit not necessarily in accordance with paragraph 12.01.C.2); or

3. where the Work involved is not covered by unit prices contained in the Contract Documents and agreement to a lump sum is not reached under paragraph 12.01.B.2, on the basis of the Cost of the Work (determined as provided in paragraph 11.01) plus a CONTRACTOR's fee for overhead and profit (determined as provided in paragraph 12.01.C).

C. *CONTRACTOR's Fee:* The CONTRACTOR's fee for overhead and profit shall be determined as follows:

1. a mutually acceptable fixed fee; or

2. if a fixed fee is not agreed upon, then a fee based on the following percentages of the various portions of the Cost of the Work:

a. for costs incurred under paragraphs 11.01.A.1 and 11.01.A.2, the CONTRACTOR's fee shall be 15 percent;

b. for costs incurred under paragraph 11.01.A.3, the CONTRACTOR's fee shall be five percent;

c. where one or more tiers of subcontracts are on the basis of Cost of the Work plus a fee and no fixed fee is agreed upon, the intent of paragraph 12.01.C.2.a is that the Subcontractor who actually performs the Work, at whatever tier, will be paid a fee of 15 percent of the costs incurred by such Subcontractor under paragraphs 11.01.A.1 and 11.01.A.2 and that any higher tier Subcontractor and CONTRACTOR will each be paid a fee of five percent of the amount paid to the next lower tier Subcontractor;

d. no fee shall be payable on the basis of costs itemized under paragraphs 11.01.A.4, 11.01.A.5, and 11.01.B;

e. the amount of credit to be allowed by CONTRACTOR to OWNER for any change which results in a net decrease in cost will be the amount of the actual net decrease in cost plus a deduction in CONTRACTOR's fee by an amount equal to five percent of such net decrease; and

f. when both additions and credits are involved in any one change, the adjustment in CONTRACTOR's fee shall be computed on the basis of the net change in accordance with paragraphs 12.01.C.2.a through 12.01.C.2.e, inclusive.

12.02 *Change of Contract Times*

A. The Contract Times (or Milestones) may only be changed by a Change Order or by a Written Amendment. Any Claim for an adjustment in the Contract Times (or Milestones) shall be based on written notice submitted by the party making the claim to the ENGINEER and the other party to the Contract in accordance with the provisions of paragraph 10.05.

B. Any adjustment of the Contract Times (or Milestones) covered by a Change Order or of any Claim for an adjustment in the Contract Times (or Milestones) will be determined in accordance with the provisions of this Article 12.

12.03 *Delays Beyond CONTRACTOR's Control*

A. Where CONTRACTOR is prevented from completing any part of the Work within the Contract Times (or Milestones) due to delay beyond the control of CONTRACTOR, the Contract Times (or Milestones) will be extended in an amount equal to the time lost due to such delay if a Claim is made therefor as provided in paragraph 12.02.A. Delays beyond the control of CONTRACTOR shall include, but not be limited to, acts or neglect by OWNER, acts or neglect of utility owners or other contractors performing other work as contemplated by

Article 7, fires, floods, epidemics, abnormal weather conditions, or acts of God.

12.04 *Delays Within CONTRACTOR's Control*

A. The Contract Times (or Milestones) will not be extended due to delays within the control of CONTRACTOR. Delays attributable to and within the control of a Subcontractor or Supplier shall be deemed to be delays within the control of CONTRACTOR.

12.05 *Delays Beyond OWNER's and CONTRACTOR's Control*

A. Where CONTRACTOR is prevented from completing any part of the Work within the Contract Times (or Milestones) due to delay beyond the control of both OWNER and CONTRACTOR, an extension of the Contract Times (or Milestones) in an amount equal to the time lost due to such delay shall be CONTRACTOR's sole and exclusive remedy for such delay.

12.06 *Delay Damages*

A. In no event shall OWNER or ENGINEER be liable to CONTRACTOR, any Subcontractor, any Supplier, or any other person or organization, or to any surety for or employee or agent of any of them, for damages arising out of or resulting from:

1. delays caused by or within the control of CONTRACTOR; or

2. delays beyond the control of both OWNER and CONTRACTOR including but not limited to fires, floods, epidemics, abnormal weather conditions, acts of God, or acts or neglect by utility owners or other contractors performing other work as contemplated by Article 7.

B. Nothing in this paragraph 12.06 bars a change in Contract Price pursuant to this Article 12 to compensate CONTRACTOR due to delay, interference, or disruption directly attributable to actions or inactions of OWNER or anyone for whom OWNER is responsible.

ARTICLE 13 - TESTS AND INSPECTIONS; CORRECTION, REMOVAL OR ACCEPTANCE OF DEFECTIVE WORK

13.01 *Notice of Defects*

A. Prompt notice of all defective Work of which OWNER or ENGINEER has actual knowledge will be given to CONTRACTOR. All defective Work may be rejected, corrected, or accepted as provided in this Article 13.

13.02 *Access to Work*

A. OWNER, ENGINEER, ENGINEER's Consultants, other representatives and personnel of OWNER, independent testing laboratories, and governmental agencies with jurisdictional interests will have access to the Site and the Work at reasonable times for their observation, inspecting, and testing. CONTRACTOR shall provide them proper and safe conditions for such access and advise them of CONTRACTOR's Site safety procedures and programs so that they may comply therewith as applicable.

13.03 *Tests and Inspections*

A. CONTRACTOR shall give ENGINEER timely notice of readiness of the Work for all required inspections, tests, or approvals and shall cooperate with inspection and testing personnel to facilitate required inspections or tests.

B. OWNER shall employ and pay for the services of an independent testing laboratory to perform all inspections, tests, or approvals required by the Contract Documents except:

1. for inspections, tests, or approvals covered by paragraphs 13.03.C and 13.03.D below;

2. that costs incurred in connection with tests or inspections conducted pursuant to paragraph 13.04.B shall be paid as provided in said paragraph 13.04.B; and

3. as otherwise specifically provided in the Contract Documents.

C. If Laws or Regulations of any public body having jurisdiction require any Work (or part thereof) specifically to be inspected, tested, or approved by an employee or other representative of such public body, CONTRACTOR shall assume full responsibility for arranging and obtaining such inspections, tests, or approvals, pay all costs in connection therewith, and furnish ENGINEER the required certificates of inspection or approval.

D. CONTRACTOR shall be responsible for arranging and obtaining and shall pay all costs in connection with any inspections, tests, or approvals required for OWNER's and ENGINEER's acceptance of materials or equipment to be incorporated in the Work; or acceptance of materials, mix designs, or equipment submitted for approval prior to CONTRACTOR's purchase thereof for incorporation in the Work. Such inspections, tests, or approvals shall be performed by organizations acceptable to OWNER and ENGINEER.

E. If any Work (or the work of others) that is to be inspected, tested, or approved is covered by CONTRACTOR without written concurrence of ENGINEER, it must, if requested by ENGINEER, be uncovered for observation.

F. Uncovering Work as provided in paragraph 13.03.E shall be at CONTRACTOR's expense unless CONTRACTOR has given ENGINEER timely notice of CONTRACTOR's intention to cover the same and ENGINEER has not acted with reasonable promptness in response to such notice.

13.04 *Uncovering Work*

A. If any Work is covered contrary to the written request of ENGINEER, it must, if requested by ENGINEER, be uncovered for ENGINEER's observation and replaced at CONTRACTOR's expense.

B. If ENGINEER considers it necessary or advisable that covered Work be observed by ENGINEER or inspected or tested by others, CONTRACTOR, at ENGINEER's request, shall uncover, expose, or otherwise make available for observation, inspection, or testing as ENGINEER may require, that portion of the Work in question, furnishing all necessary labor, material, and equipment. If it is found that such Work is defective, CONTRACTOR shall pay all Claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such uncovering, exposure, observation, inspection, and testing, and of satisfactory replacement or reconstruction (including but not limited to all costs of repair or replacement of work of others); and OWNER shall be entitled to an appropriate decrease in the Contract Price. If the parties are unable to agree as to the amount thereof, OWNER may make a Claim therefor as provided in paragraph 10.05. If, however, such Work is not found to be defective, CONTRACTOR shall be allowed an increase in the Contract Price or an extension of the Contract Times (or Milestones), or both, directly attributable to such uncovering, exposure, observation, inspection, testing, replacement, and reconstruction. If the parties are unable to agree as to the amount or extent thereof, CONTRACTOR may make a Claim therefor as provided in paragraph 10.05.

13.05 *OWNER May Stop the Work*

A. If the Work is defective, or CONTRACTOR fails to supply sufficient skilled workers or suitable materials or equipment, or fails to perform the Work in such a way that the completed Work will conform to the Contract Documents, OWNER may order CONTRACTOR to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, this right of OWNER to stop the Work shall not give rise to any duty on the part of OWNER to exercise this right for the benefit of CONTRACTOR, any Subcontractor, any Supplier, any other individual or entity, or any surety for, or employee or agent of any of them.

13.06 *Correction or Removal of Defective Work*

A. CONTRACTOR shall correct all defective Work, whether or not fabricated, installed, or completed, or, if the Work has been rejected by ENGINEER, remove it from the Project and replace it with Work that is not defective. CONTRACTOR shall pay all Claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or removal (including but not limited to all costs of repair or replacement of work of others).

13.07 *Correction Period*

A. If within one year after the date of Substantial Completion or such longer period of time as may be prescribed by Laws or Regulations or by the terms of any applicable special guarantee required by the Contract Documents or by any specific provision of the Contract Documents, any Work is found to be defective, or if the repair of any damages to the land or areas made available for CONTRACTOR's use by OWNER or permitted by Laws and Regulations as contemplated in paragraph 6.11.A is found to be defective, CONTRACTOR shall promptly, without cost to OWNER and in accordance with OWNER's written instructions: (i) repair such defective land or areas, or (ii) correct such defective Work or, if the defective Work has been rejected by OWNER, remove it from the Project and replace it with Work that is not defective, and (iii) satisfactorily correct or repair or remove and replace any damage to other Work, to the work of others or other land or areas resulting therefrom. If CONTRACTOR does not promptly comply with the terms of such instructions, or in an emergency where delay would cause serious risk of loss or damage, OWNER may have the defective Work corrected or repaired or may have the rejected Work removed and replaced, and all Claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) arising out of or relating to such correction or repair or such removal and replacement (including but not limited to all costs of repair or replacement of work of others) will be paid by CONTRACTOR.

B. In special circumstances where a particular item of equipment is placed in continuous service before Substantial Completion of all the Work, the correction period for that

item may start to run from an earlier date if so provided in the Specifications or by Written Amendment.

C. Where defective Work (and damage to other Work resulting therefrom) has been corrected or removed and replaced under this paragraph 13.07, the correction period hereunder with respect to such Work will be extended for an additional period of one year after such correction or removal and replacement has been satisfactorily completed.

D. CONTRACTOR's obligations under this paragraph 13.07 are in addition to any other obligation or warranty. The provisions of this paragraph 13.07 shall not be construed as a substitute for or a waiver of the provisions of any applicable statute of limitation or repose.

13.08 *Acceptance of Defective Work*

A. If, instead of requiring correction or removal and replacement of defective Work, OWNER (and, prior to ENGINEER's recommendation of final payment, ENGINEER) prefers to accept it, OWNER may do so. CONTRACTOR shall pay all Claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) attributable to OWNER's evaluation of and determination to accept such defective Work (such costs to be approved by ENGINEER as to reasonableness) and the diminished value of the Work to the extent not otherwise paid by CONTRACTOR pursuant to this sentence. If any such acceptance occurs prior to ENGINEER's recommendation of final payment, a Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the Work, and OWNER shall be entitled to an appropriate decrease in the Contract Price, reflecting the diminished value of Work so accepted. If the parties are unable to agree as to the amount thereof, OWNER may make a Claim therefor as provided in paragraph 10.05. If the acceptance occurs after such recommendation, an appropriate amount will be paid by CONTRACTOR to OWNER.

13.09 *OWNER May Correct Defective Work*

A. If CONTRACTOR fails within a reasonable time after written notice from ENGINEER to correct defective Work or to remove and replace rejected Work as required by ENGINEER in accordance with paragraph 13.06.A, or if CONTRACTOR fails to perform the Work in accordance with the Contract Documents, or if CONTRACTOR fails to comply with any other provision of the Contract Documents, OWNER may, after seven days written notice to CONTRACTOR, correct and remedy any such deficiency.

B. In exercising the rights and remedies under this paragraph, OWNER shall proceed expeditiously. In connection with such corrective and remedial action, OWNER may exclude CONTRACTOR from all or part of the Site, take possession of all or part of the Work and suspend CONTRACTOR's services related thereto, take possession of CONTRACTOR's tools, appliances, construction equipment and machinery at the Site, and incorporate in the Work all materials and equipment stored at the Site or for which OWNER has paid CONTRACTOR but which are stored elsewhere. CONTRACTOR shall allow OWNER, OWNER's representatives, agents and employees, OWNER's other contractors, and ENGINEER and ENGINEER's Consultants access to the Site to enable OWNER to exercise the rights and remedies under this paragraph.

C. All Claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) incurred or sustained by OWNER in exercising the rights and remedies under this paragraph 13.09 will be charged against CONTRACTOR, and a Change Order will be issued incorporating the necessary revisions in the Contract Documents with respect to the Work; and OWNER shall be entitled to an appropriate decrease in the Contract Price. If the parties are unable to agree as to the amount of the adjustment, OWNER may make a Claim therefor as provided in paragraph 10.05. Such claims, costs, losses and damages will include but not be limited to all costs of repair, or replacement of work of others destroyed or damaged by correction, removal, or replacement of CONTRACTOR's defective Work.

D. CONTRACTOR shall not be allowed an extension of the Contract Times (or Milestones) because of any delay in the performance of the Work attributable to the exercise by OWNER of OWNER's rights and remedies under this paragraph 13.09.

ARTICLE 14 - PAYMENTS TO CONTRACTOR AND COMPLETION

14.01 *Schedule of Values*

A. The schedule of values established as provided in paragraph 2.07.A will serve as the basis for progress payments and will be incorporated into a form of Application for Payment acceptable to ENGINEER. Progress payments on account of Unit Price Work will be based on the number of units completed.

14.02 *Progress Payments*

A. *Applications for Payments*

1. At least 20 days before the date established for each progress payment (but not more often than once a month), CONTRACTOR shall submit to ENGINEER for review an Application for Payment filled out and signed by CONTRACTOR covering the Work completed as of the date of the Application and accompanied by such supporting documentation as is required by the Contract Documents. If payment is requested on the basis of materials and equipment not incorporated in the Work but delivered and suitably stored at the Site or at another location agreed to in writing, the Application for Payment shall also be accompanied by a bill of sale, invoice, or other documentation warranting that OWNER has received the materials and equipment free and clear of all Liens and evidence that the materials and equipment are covered by appropriate property insurance or other arrangements to protect OWNER's interest therein, all of which must be satisfactory to OWNER.

2. Beginning with the second Application for Payment, each Application shall include an affidavit of CONTRACTOR stating that all previous progress payments received on account of the Work have been applied on account to discharge CONTRACTOR's legitimate obligations associated with prior Applications for Payment.

3. The amount of retainage with respect to progress payments will be as stipulated in the Agreement.

B. *Review of Applications*

1. ENGINEER will, within 10 days after receipt of each Application for Payment, either indicate in writing a recommendation of payment and present the Application to OWNER or return the Application to CONTRACTOR indicating in writing ENGINEER's reasons for refusing to recommend payment. In the latter case, CONTRACTOR may make the necessary corrections and resubmit the Application.

2. ENGINEER's recommendation of any payment requested in an Application for Payment will constitute a representation by ENGINEER to OWNER, based on ENGINEER's observations on the Site of the executed Work as an experienced and qualified design professional and on ENGINEER's review of the Application for Payment and the accompanying data and schedules, that to the best of ENGINEER's knowledge, information and belief:

a. the Work has progressed to the point indicated;

b. the quality of the Work is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Contract Documents, to a final determination of quantities and classifications for Unit Price Work under paragraph 9.08, and to any other qualifications stated in the recommendation); and

c. the conditions precedent to CONTRACTOR's being entitled to such payment appear to have been fulfilled in so far as it is ENGINEER's responsibility to observe the Work.

3. By recommending any such payment ENGINEER will not thereby be deemed to have represented that: (i) inspections made to check the quality or the quantity of the Work as it has been performed have been exhaustive, extended to every aspect of the Work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to ENGINEER in the Contract Documents; or (ii) that there may not be other matters or issues between the parties that might entitle CONTRACTOR to be paid additionally by OWNER or entitle OWNER to withhold payment to CONTRACTOR.

4. Neither ENGINEER's review of CONTRACTOR's Work for the purposes of recommending payments nor ENGINEER's recommendation of any payment, including final payment, will impose responsibility on ENGINEER to supervise, direct, or control the Work or for the means, methods, techniques, sequences, or procedures of construction, or the safety precautions and programs incident thereto, or for CONTRACTOR's failure to comply with Laws and Regulations applicable to CONTRACTOR's performance of the Work. Additionally, said review or recommendation will not impose responsibility on ENGINEER to make any examination to ascertain how or for what purposes CONTRACTOR has used the moneys paid on account of the Contract Price, or to determine that title to any of the Work, materials, or equipment has passed to OWNER free and clear of any Liens.

5. ENGINEER may refuse to recommend the whole or any part of any payment if, in ENGINEER's opinion, it would be incorrect to make the representations to OWNER referred to in paragraph 14.02.B.2. ENGINEER may also refuse to recommend any such payment or, because of subsequently discovered evidence or the results of subsequent inspections or tests,

revise or revoke any such payment recommendation previously made, to such extent as may be necessary in ENGINEER's opinion to protect OWNER from loss because:

a. the Work is defective, or completed Work has been damaged, requiring correction or replacement;

b. the Contract Price has been reduced by Written Amendment or Change Orders;

c. OWNER has been required to correct defective Work or complete Work in accordance with paragraph 13.09; or

d. ENGINEER has actual knowledge of the occurrence of any of the events enumerated in paragraph 15.02.A.

C. *Payment Becomes Due*

1. Ten days after presentation of the Application for Payment to OWNER with ENGINEER's recommendation, the amount recommended will (subject to the provisions of paragraph 14.02.D) become due, and when due will be paid by OWNER to CONTRACTOR.

D. *Reduction in Payment*

1. OWNER may refuse to make payment of the full amount recommended by ENGINEER because:

a. claims have been made against OWNER on account of CONTRACTOR's performance or furnishing of the Work;

b. Liens have been filed in connection with the Work, except where CONTRACTOR has delivered a specific Bond satisfactory to OWNER to secure the satisfaction and discharge of such Liens;

c. there are other items entitling OWNER to a set-off against the amount recommended; or

d. OWNER has actual knowledge of the occurrence of any of the events enumerated in paragraphs 14.02.B.5.a through 14.02.B.5.c or paragraph 15.02.A.

2. If OWNER refuses to make payment of the full amount recommended by ENGINEER, OWNER must give CONTRACTOR immediate written notice (with a copy to ENGINEER) stating the reasons for such action and promptly pay CONTRACTOR any amount remaining after deduction of the amount so withheld. OWNER shall promptly pay CONTRACTOR the amount so withheld, or any adjustment thereto agreed to by OWNER and CONTRACTOR, when CONTRACTOR corrects to OWNER's satisfaction the reasons for such action.

3. If it is subsequently determined that OWNER's refusal of payment was not justified, the amount wrongfully withheld shall be treated as an amount due as determined by paragraph 14.02.C.1.

14.03 *CONTRACTOR's Warranty of Title*

A. CONTRACTOR warrants and guarantees that title to all Work, materials, and equipment covered by any Application for Payment, whether incorporated in the Project or not, will pass to OWNER no later than the time of payment free and clear of all Liens.

14.04 *Substantial Completion*

A. When CONTRACTOR considers the entire Work ready for its intended use CONTRACTOR shall notify OWNER and ENGINEER in writing that the entire Work is substantially complete (except for items specifically listed by CONTRACTOR as incomplete) and request that ENGINEER issue a certificate of Substantial Completion. Promptly thereafter, OWNER, CONTRACTOR, and ENGINEER shall make an inspection of the Work to determine the status of completion. If ENGINEER does not consider the Work substantially complete, ENGINEER will notify CONTRACTOR in writing giving the reasons therefor. If ENGINEER considers the Work substantially complete, ENGINEER will prepare and deliver to OWNER a tentative certificate of Substantial Completion which shall fix the date of Substantial Completion. There shall be attached to the certificate a tentative list of items to be completed or corrected before final payment. OWNER shall have seven days after receipt of the tentative certificate during which to make written objection to ENGINEER as to any provisions of the certificate or attached list. If, after considering such objections, ENGINEER concludes that the Work is not substantially complete, ENGINEER will within 14 days after submission of the tentative certificate to OWNER notify CONTRACTOR in writing, stating the reasons therefor. If, after consideration of OWNER's objections, ENGINEER considers the Work substantially complete, ENGINEER will within said 14 days execute and deliver to OWNER and CONTRACTOR a definitive certificate of Substantial Completion (with a revised tentative list of items to be completed or corrected) reflecting such changes from the tentative certificate as ENGINEER believes justified after consideration of any objections from OWNER. At the time of delivery of the tentative certificate of Substantial Completion ENGINEER will deliver to OWNER and CONTRACTOR a written recommendation as to division of responsibili-

ties pending final payment between OWNER and CONTRACTOR with respect to security, operation, safety, and protection of the Work, maintenance, heat, utilities, insurance, and warranties and guarantees. Unless OWNER and CONTRACTOR agree otherwise in writing and so inform ENGINEER in writing prior to ENGINEER's issuing the definitive certificate of Substantial Completion, ENGINEER's aforesaid recommendation will be binding on OWNER and CONTRACTOR until final payment.

B. OWNER shall have the right to exclude CONTRACTOR from the Site after the date of Substantial Completion, but OWNER shall allow CONTRACTOR reasonable access to complete or correct items on the tentative list.

14.05 *Partial Utilization*

A. Use by OWNER at OWNER's option of any substantially completed part of the Work which has specifically been identified in the Contract Documents, or which OWNER, ENGINEER, and CONTRACTOR agree constitutes a separately functioning and usable part of the Work that can be used by OWNER for its intended purpose without significant interference with CONTRACTOR's performance of the remainder of the Work, may be accomplished prior to Substantial Completion of all the Work subject to the following conditions.

1. OWNER at any time may request CONTRACTOR in writing to permit OWNER to use any such part of the Work which OWNER believes to be ready for its intended use and substantially complete. If CONTRACTOR agrees that such part of the Work is substantially complete, CONTRACTOR will certify to OWNER and ENGINEER that such part of the Work is substantially complete and request ENGINEER to issue a certificate of Substantial Completion for that part of the Work. CONTRACTOR at any time may notify OWNER and ENGINEER in writing that CONTRACTOR considers any such part of the Work ready for its intended use and substantially complete and request ENGINEER to issue a certificate of Substantial Completion for that part of the Work. Within a reasonable time after either such request, OWNER, CONTRACTOR, and ENGINEER shall make an inspection of that part of the Work to determine its status of completion. If ENGINEER does not consider that part of the Work to be substantially complete, ENGINEER will notify OWNER and CONTRACTOR in writing giving the reasons therefor. If ENGINEER considers that part of the Work to be substantially complete, the provisions of paragraph 14.04 will apply with respect to certification of Substantial Completion of that part of the Work and the division of responsibility in respect thereof and access thereto.

2. No occupancy or separate operation of part of the Work may occur prior to compliance with the requirements of paragraph 5.10 regarding property insurance.

14.06 *Final Inspection*

A. Upon written notice from CONTRACTOR that the entire Work or an agreed portion thereof is complete, ENGINEER will promptly make a final inspection with OWNER and CONTRACTOR and will notify CONTRACTOR in writing of all particulars in which this inspection reveals that the Work is incomplete or defective. CONTRACTOR shall immediately take such measures as are necessary to complete such Work or remedy such deficiencies.

14.07 *Final Payment*

A. *Application for Payment*

1. After CONTRACTOR has, in the opinion of ENGINEER, satisfactorily completed all corrections identified during the final inspection and has delivered, in accordance with the Contract Documents, all maintenance and operating instructions, schedules, guarantees, Bonds, certificates or other evidence of insurance certificates of inspection, marked-up record documents (as provided in paragraph 6.12), and other documents, CONTRACTOR may make application for final payment following the procedure for progress payments.

2. The final Application for Payment shall be accompanied (except as previously delivered) by: (i) all documentation called for in the Contract Documents, including but not limited to the evidence of insurance required by subparagraph 5.04.B.7; (ii) consent of the surety, if any, to final payment; and (iii) complete and legally effective releases or waivers (satisfactory to OWNER) of all Lien rights arising out of or Liens filed in connection with the Work.

3. In lieu of the releases or waivers of Liens specified in paragraph 14.07.A.2 and as approved by OWNER, CONTRACTOR may furnish receipts or releases in full and an affidavit of CONTRACTOR that: (i) the releases and receipts include all labor, services, material, and equipment for which a Lien could be filed; and (ii) all payrolls, material and equipment bills, and other indebtedness connected with the Work for which OWNER or OWNER's property might in any way be responsible have been paid or otherwise satisfied. If any Subcontractor or Supplier fails to furnish such a release or receipt in full, CONTRACTOR may furnish a Bond or other collateral satisfactory to OWNER to indemnify OWNER against any Lien.

B. *Review of Application and Acceptance*

1. If, on the basis of ENGINEER's observation of the Work during construction and final inspection, and ENGINEER's review of the final Application for Payment and accompanying documentation as required by the Contract Documents, ENGINEER is satisfied that the Work has been completed and CONTRACTOR's other obligations under the Contract Documents have been fulfilled, ENGINEER will, within ten days after receipt of the final Application for Payment, indicate in writing ENGINEER's recommendation of payment and present the Application for Payment to OWNER for payment. At the same time ENGINEER will also give written notice to OWNER and CONTRACTOR that the Work is acceptable subject to the provisions of paragraph 14.09. Otherwise, ENGINEER will return the Application for Payment to CONTRACTOR, indicating in writing the reasons for refusing to recommend final payment, in which case CONTRACTOR shall make the necessary corrections and resubmit the Application for Payment.

C. *Payment Becomes Due*

1. Thirty days after the presentation to OWNER of the Application for Payment and accompanying documentation, the amount recommended by ENGINEER will become due and, when due, will be paid by OWNER to CONTRACTOR.

14.08 *Final Completion Delayed*

A. If, through no fault of CONTRACTOR, final completion of the Work is significantly delayed, and if ENGINEER so confirms, OWNER shall, upon receipt of CONTRACTOR's final Application for Payment and recommendation of ENGINEER, and without terminating the Agreement, make payment of the balance due for that portion of the Work fully completed and accepted. If the remaining balance to be held by OWNER for Work not fully completed or corrected is less than the retainage stipulated in the Agreement, and if Bonds have been furnished as required in paragraph 5.01, the written consent of the surety to the payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by CONTRACTOR to ENGINEER with the Application for such payment. Such payment shall be made under the terms and conditions governing final payment, except that it shall not constitute a waiver of Claims.

14.09 *Waiver of Claims*

A. The making and acceptance of final payment will constitute:

1. a waiver of all Claims by OWNER against CONTRACTOR, except Claims arising from unsettled Liens, from defective Work appearing after final inspection pursuant to paragraph 14.06, from failure to comply with the Contract Documents or the terms of any special guarantees specified therein, or from CONTRACTOR's continuing obligations under the Contract Documents; and

2. a waiver of all Claims by CONTRACTOR against OWNER other than those previously made in writing which are still unsettled.

ARTICLE 15 - SUSPENSION OF WORK AND TERMINATION

15.01 *OWNER May Suspend Work*

A. At any time and without cause, OWNER may suspend the Work or any portion thereof for a period of not more than 90 consecutive days by notice in writing to CONTRACTOR and ENGINEER which will fix the date on which Work will be resumed. CONTRACTOR shall resume the Work on the date so fixed. CONTRACTOR shall be allowed an adjustment in the Contract Price or an extension of the Contract Times, or both, directly attributable to any such suspension if CONTRACTOR makes a Claim therefor as provided in paragraph 10.05.

15.02 *OWNER May Terminate for Cause*

A. The occurrence of any one or more of the following events will justify termination for cause:

1. CONTRACTOR's persistent failure to perform the Work in accordance with the Contract Documents (including, but not limited to, failure to supply sufficient skilled workers or suitable materials or equipment or failure to adhere to the progress schedule established under paragraph 2.07 as adjusted from time to time pursuant to paragraph 6.04);

2. CONTRACTOR's disregard of Laws or Regulations of any public body having jurisdiction;

3. CONTRACTOR's disregard of the authority of ENGINEER; or

4. CONTRACTOR's violation in any substantial way of any provisions of the Contract Documents.

B. If one or more of the events identified in paragraph 15.02.A occur, OWNER may, after giving CONTRACTOR (and the surety, if any) seven days written notice, terminate

the services of CONTRACTOR, exclude CONTRACTOR from the Site, and take possession of the Work and of all CONTRACTOR's tools, appliances, construction equipment, and machinery at the Site, and use the same to the full extent they could be used by CONTRACTOR (without liability to CONTRACTOR for trespass or conversion), incorporate in the Work all materials and equipment stored at the Site or for which OWNER has paid CONTRACTOR but which are stored elsewhere, and finish the Work as OWNER may deem expedient. In such case, CONTRACTOR shall not be entitled to receive any further payment until the Work is finished. If the unpaid balance of the Contract Price exceeds all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) sustained by OWNER arising out of or relating to completing the Work, such excess will be paid to CONTRACTOR. If such claims, costs, losses, and damages exceed such unpaid balance, CONTRACTOR shall pay the difference to OWNER. Such claims, costs, losses, and damages incurred by OWNER will be reviewed by ENGINEER as to their reasonableness and, when so approved by ENGINEER, incorporated in a Change Order. When exercising any rights or remedies under this paragraph OWNER shall not be required to obtain the lowest price for the Work performed.

C. Where CONTRACTOR's services have been so terminated by OWNER, the termination will not affect any rights or remedies of OWNER against CONTRACTOR then existing or which may thereafter accrue. Any retention or payment of moneys due CONTRACTOR by OWNER will not release CONTRACTOR from liability.

15.03 *OWNER May Terminate For Convenience*

A. Upon seven days written notice to CONTRACTOR and ENGINEER, OWNER may, without cause and without prejudice to any other right or remedy of OWNER, elect to terminate the Contract. In such case, CONTRACTOR shall be paid (without duplication of any items):

1. for completed and acceptable Work executed in accordance with the Contract Documents prior to the effective date of termination, including fair and reasonable sums for overhead and profit on such Work;

2. for expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Contract Documents in connection with uncompleted Work, plus fair and reasonable sums for overhead and profit on such expenses;

3. for all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys, and other professionals and all court or arbitration or other dispute resolution costs) incurred in settlement of terminated contracts with Subcontractors, Suppliers, and others; and

4. for reasonable expenses directly attributable to termination.

B. CONTRACTOR shall not be paid on account of loss of anticipated profits or revenue or other economic loss arising out of or resulting from such termination.

15.04 *CONTRACTOR May Stop Work or Terminate*

A. If, through no act or fault of CONTRACTOR, the Work is suspended for more than 90 consecutive days by OWNER or under an order of court or other public authority, or ENGINEER fails to act on any Application for Payment within 30 days after it is submitted, or OWNER fails for 30 days to pay CONTRACTOR any sum finally determined to be due, then CONTRACTOR may, upon seven days written notice to OWNER and ENGINEER, and provided OWNER or ENGINEER do not remedy such suspension or failure within that time, terminate the Contract and recover from OWNER payment on the same terms as provided in paragraph 15.03. In lieu of terminating the Contract and without prejudice to any other right or remedy, if ENGINEER has failed to act on an Application for Payment within 30 days after it is submitted, or OWNER has failed for 30 days to pay CONTRACTOR any sum finally determined to be due, CONTRACTOR may, seven days after written notice to OWNER and ENGINEER, stop the Work until payment is made of all such amounts due CONTRACTOR, including interest thereon. The provisions of this paragraph 15.04 are not intended to preclude CONTRACTOR from making a Claim under paragraph 10.05 for an adjustment in Contract Price or Contract Times or otherwise for expenses or damage directly attributable to CONTRACTOR's stopping the Work as permitted by this paragraph.

ARTICLE 16 - DISPUTE RESOLUTION

16.01 *Methods and Procedures*

A. Dispute resolution methods and procedures, if any, shall be as set forth in the Supplementary Conditions. If no method and procedure has been set forth, and subject to the provisions of paragraphs 9.09 and 10.05, OWNER and CONTRACTOR may exercise such rights or remedies as either may otherwise have under the Contract Documents or by Laws or Regulations in respect of any dispute.

ARTICLE 17 - MISCELLANEOUS

17.01 *Giving Notice*

A. Whenever any provision of the Contract Documents requires the giving of written notice, it will be deemed to have been validly given if delivered in person to the individual or to a member of the firm or to an officer of the corporation for whom it is intended, or if delivered at or sent by registered or certified mail, postage prepaid, to the last business address known to the giver of the notice.

17.02 *Computation of Times*

A. When any period of time is referred to in the Contract Documents by days, it will be computed to exclude the first and include the last day of such period. If the last day of any such period falls on a Saturday or Sunday or on a day made a legal holiday by the law of the applicable jurisdiction, such day will be omitted from the computation.

17.03 *Cumulative Remedies*

A. The duties and obligations imposed by these General Conditions and the rights and remedies available hereunder to the parties hereto are in addition to, and are not to be construed in any way as a limitation of, any rights and remedies available to any or all of them which are otherwise imposed or available by Laws or Regulations, by special warranty or guarantee, or by other provisions of the Contract Documents, and the provisions of this paragraph will be as effective as if repeated specifically in the Contract Documents in connection with each particular duty, obligation, right, and remedy to which they apply.

17.04 *Survival of Obligations*

A. All representations, indemnifications, warranties, and guarantees made in, required by, or given in accordance with the Contract Documents, as well as all continuing obligations indicated in the Contract Documents, will survive final payment, completion, and acceptance of the Work or termination or completion of the Agreement.

17.05 *Controlling Law*

A. This Contract is to be governed by the law of the state in which the Project is located.

SUPPLEMENTAL GENERAL CONDITIONS

These Supplementary Conditions ammend or supplement the Standared General Conditions of the Construction Contract (No. 1910-8, 1996 Edition) and other provisions of the Contract Documents as indicated below. All provisions, which are not so amended or supplemented, remain in full force and effect.

The terms in these Supplementary Conditions will have the meanings indicated in the General Conditions. Additional terms used in these Supplementary Conditions have the meanings indicated below, which are applicable to both the singular and plural thereof.

SC-6.10 Delete paragraph 6.10 in its entirety and insert the following in its place:

The Owner qualifies for the state and local tax exemption in the purchase of certain materials and equipment the Contractor shall utilize the form provided herewith in Exhibit "D".

SC-11.01 Delete paragraph 11.01 in its entirety.

SC11.02 Delete paragraph 11.02 in its entirety.

SC-12.01.B.2 & B..3 Delete paragraph 12.01.B.2 & B.3 in its entirety.

SC-12.01.C.2 Delete paragraph 12.01.C.2 in its entirety.

SC Article 16 Add the following language at the end of the paragraph of Article 16:

There are no dispute resolution methods and procedures set forth in the Supplemental Conditions.

GENERAL PREVAILING WAGE LEGAL REQUIREMENTS

The Contractor's attention is called th Texas Government Code Chapter 2258, which must be complied with attached herewith as Exhibit "C".

STANDARD SPECIFICATIONS, SPECIAL SPECIFICATIONS, SPECIAL PROVISIONS TO STANDARD SPECIFICATIONS, AND GENERAL NOTES

GOVERNING SPECIFICATIONS AND SPECIAL PROVISIONS

All specifications and special provisions applicable to this project are identified as follows:

STANDARD SPECIFICATIONS: Adopted by the Texas Department of Transportation, June 1, 2004. Standard Specifications are incorporated into the contract by reference.

ITEM 100 PREPARING RIGHT-OF-WAY
ITEM 132 EMBANKMENT
ITEM 400 EXCAVATION AND BACKFILL FOR STRUCTURES
ITEM 402 TRENCH EXCAVATION PROTECTION
ITEM 420 CONCRETE STRUCTURES
ITEM 432 RIPRAP
ITEM 464 REINFORCED CONCRETE PIPE
ITEM 496 REMOVING STRUCTURES
ITEM 502 BARRICADES, SIGNS AND TRAFFIC HANDLING
ITEM 506 TEMPORARY EROSION, SEDIMENTATION, AND ENVIRONMENTAL CONTROLS

SPECIAL SPECIFICATIONS: (Enclosed herewith)

ITEM 4035 REINFORCED CONCRETE LOW-HEAD PRESSURE PIPE

SPECIAL PROVISIONS: Special Provisions will govern and take precedence over the Specifications enumerated hereon wherever in conflict therewith. (Enclosed herewith)

NONE

General: The above listed specification items are those under which payment is to be made. These, together with such other pertinent items, if any, as may be referred to in the above-listed specification items, and including the special provisions listed above, constitute the complete specifications for this project.

All item numbers noted in these plans are the same as those referenced in the Texas Department of Transportation 2004 Standard Specifications for Construction and Maintenance of Highways, Streets, and Bridges book (June 1, 2004).

SPECIAL SPECIFICATION

Reinforced Concrete Low-Head Pressure Pipe

1. **Description.** Furnish and install reinforced concrete low-head pressure pipe 12 to 108-in. inclusive, internal diameter. Install the pipe in accordance with the requirements of these specifications, to the lines and grades shown on the plans, and the classes, sizes and dimensions shown thereon. The installation of pipe includes all joints or connections to new or existing pipe, wells, vents, inlets, headwalls, etc., as may be required to complete the work.

2. **Materials.**

   Provide reinforced concrete low-head pressure pipe that conforms to the requirements of the latest edition of ASTM Designation C-361 Class D-25. except for the following modifications:

   A. Pipe shall be manufactured and tested in accordance to the latest edition of ASTM Designation: C-361 except as hereinafter changed and further specified. The requirements for Portland cement, admixture, concrete strength, wall thickness, joints, manufacture, and handling of pipe shall be in accordance with the requirements set forth below.

   B. The following section of the article entitled "Materials" is supplemented by the following:

      1. **Cement:** The Portland cement shall be Type II, low alkali, or equal, in accordance with the latest edition of ASTM Designation C150. The Contractor shall furnish certificates from the mill manufacturing the cement evidencing compliance with these specifications.

      2. **Admixture:** All concrete in concrete pipe placed by the placing and vibrated method shall have air-entraining agent conforming to ASTM Designations: C260. The amount of air-entraining agent used shall be such as will effect the entrainment of 2-1/2+- 1 percent of air by volume, of the concrete as discharged from the mixer. Natural cement, slag cement, pozzolon, or other admixtures shall not be added to the concrete without the written authorization of the Engineer in charge of the project.

      3. **Concrete Mixture:** The aggregate requirements of the latest ASTM Designation: C361 are changed to include: "The maximum size coarse aggregate shall be of the largest size practicable for placement considering the wall thickness of the pipe but shall not exceed 1-1/2 inches. The percentage of coarse aggregate to the total aggregate shall be as high as practicable for manufacture of the pipe."

      4. **Steel Reinforcements:** The reinforcing steel shall conform to requirements of ASTM Designation C361 Class D-25.

C. All reference to methods pertaining to testing the strength of the concrete contained in articles entitled "Materials" and "Physical Test Requirements" are voided and replaced by the following:

The strength requirements for the concrete must meet the design requirements of ASTM C 76 for Class II, III, IV and V Pipe. The test for minimum 3-edge bearing load shall not be less than that required for Class III reinforced concrete pipe, ASTM Designation C-76.

Perform Three-Edge Bearing tests for Classes II, III, IV and V Pipe on one pipe for each 100 pipe or fraction thereof of each size and class for the load to produce a 0.01 in. crack and, at the discretion of the Engineer, the ultimate load. Plainly mark "TEST" with durable paint on both top and bottom and do not use the pipe sections tested only to the 0.01 in. crack.

D. The article entitled "Design" is hereby voided and replaced by the correspondingly named article of ASTM C 76 with the exception of the following:

1. **Circumferential Reinforcement**: Use circumferential reinforcement at each end of the pipe unit that consists of 2 complete coils or rings in which the end is lapped or welded. Unless otherwise shown on the plans, the clear distance of the end coil or ring must not be less than 1/2 in. nor more than 1 in. from the end of the pipe unit.

2. **Longitudinal Reinforcement**: Extend the longitudinals the full length of the pipe. The longitudinal bars provided in the bell may be continuous bars or spliced to the main longitudinal bars.

3. **Joints:** Joints shall be type R-4 as specified by the U.S. Department of Interior. Bureau of Reclamation "STANDARD Specifications for reinforced concrete pressure pipe" Designation M-1; refer to attached copy of R-4 Joint Detail as obtain from USBR Designation M-1.

4. **Wall Thickness:** The thickness of the pipe wall shall be not less than that shown in Table A. Paragraph C-10, "Physical Test Requirements," hereof.

5. **Pipe Lengths:** The maximum lengths of pipe sections shall be 8 feet.

6. **Paint:** Each pipe joint shall be supplied to the job site with one coat of oil base paint. The coat of paint shall be placed in the spigot groove and interior surface of the bell where the gasket will be in contact with the bell. Manufacturer to provide color of preference.

E. In addition to the requirements included under the Section "Joints" of ASTM C 361, the joints must meet the following requirements (see attached typical joint drawing "Joint Type R-4" for illustration of joint details for pipe.

1. Construct a joint of all concrete design with gasket retained in a groove, using an endless gasket of round cross-section.

2. Construct the thickness of spigot shell at end of spigot that is not less than 80% of thickness of pipe shell.

3. Use a finish of the inner surface of the bell or groove and surfaces of the spigot or tongue that is in accordance to the requirements of ASTM C 443.

F. The article entitled "Physical Test Requirements" is hereby supplemented by the following:

1. **Physical Test Requirements.** The hydrostatic test pressures for the pipe and rubber gasket joint required in the latest edition of ASTM Designations C361 are changed to those specified in Table A. The Contractor shall also perform external load crushing strength test on the pipe. The external load crushing strength test shall be in accordance with the minimum three-edge bearing load requirements for D-load to produce the ultimate load as established by the latest edition of ASTM C76 for Class IV (wall B) pipe.

Table A. Physical Test Requirements

Internal Diameter (Inches)	Minimum Shell Thickness (Inches)	Internal Hydrostatic Pressure on Individual Section of Pipe (psi)	Minimum 3-Edge Bearing Load
15	2	50	*
16	2	50	*
18	2	50	*
21	2-1/4	45	*
24	2-1/2	40	*
30	2-3/4	35	*
36	3	30	*
42	4-1/2	30	*
48	5	30	*
54	5-1/2	25	*
60	6	25	*
72	7	25	*

* D-load to produce the ultimate load as specified by Table 3 "Design Requirements for Class IV Reinforced Concrete Pipe" of the latest edition of ASTM Designation C76.

3. **Manufacture.** Manufacture of the pipe shall conform to the latest edition of ASTM C-361. In addition to these requirements, the pipe shall be manufactured by centrifugally spinning, by placing and vibrating, by combination of these, or by the approved methods. For concrete pipe that is manufactured by the placing and vibrating methods. The concrete shall be thoroughly consolidated by vibration until it is free from pockets, closes snugly against all surfaces, and is in complete contact with all reinforcement. Form vibrators rigidly attached to the forms by bolting or clamping shall be adequate in size and of sufficient frequency to properly consolidate the volume of concrete and shall be maintained in good operating condition. When one of the centrifugal spinning methods is utilized, sufficient

concrete shall be paced in the forms during charging operations to insure pipe of the specified wall thickness and with a minimum variation in wall thickness and pipe diameter throughout the length of the pipe. The duration and speed of spinning shall be sufficient to completely distribute the concrete and produce an even interior surface. All pipe shall be marked, showing date of manufacture and name or trademark of manufacturer on each section of pipe.

4. **Handling Pipe.** During manufacturing, transporting, and storing concrete pipe, the pipe shall not be dropped or subjected to any unnecessary jar, impact, or other treatment that might crack the shell or otherwise damage the pipe. No pipe shall be loaded and hauled to the site of the work until the end of a 14-day curing period, or such additional time as may be necessary to meet physical test requirements. Any unit of pipe that, in the opinion of the District, or its agents is damaged beyond repair by the contractor in hauling, handling, unloading, storing or otherwise, shall be removed from the site of the work and replaced by and at the expense of the contractor with another undamaged unit of pipe meeting these specifications. Repairs, when allowed, shall be made in accordance with the latest edition of the Reclamation Concrete Manual. Pipe that has been repaired shall be subject to the designated tests in accordance with these specifications.

5. **Construction.** The construction methods are to be in accordance with Item 464, "Reinforced Concrete Pipe", except for the following modifications.

   A. Install rubber gasket joints by forcing the spigot or tongue of each pipe section (with the gasket in place) into the bell or groove of the previously laid joint with approved device that will smoothly force the sections together and so that the gasket is properly seated and compressed. Adequately lubricate the bell and spigot or groove and tongue with soft soap or other approved lubricant before the sections are forced together.

   B. Construct angles or bends in pipe lines by using either prefabricated angle joints or a reinforced concrete collar. Unless otherwise shown on the plans, use collars of such width that each pipe section will be imbedded in the collar a minimum of 6 in. Construct the thickness of the collar outside the pipe that is a minimum of 6 in. Furnish reinforcement in the collar that consists of at least one layer of 6 in. x 6 in., No. 6 gage x 6 gage steel wire fabric or heavier, supplemented by additional circumferential reinforcing steel as required to provide reinforcing at least equal to that in the pipe. Lap the fabric at least 6 in. Furnish Class A or C concrete and form and place monolithically.

   C. Where pipe connects to headwalls or wells at the bell end of pipe lines, cut off the bell and lay the pipe so that the normal pipe section extends into the headwall or well.

6. **Measurement.** This Item will be measured by the foot of pipe complete in place in accordance with these specifications. Such measurement will be made between the ends of the pipe barrel along the central axis as installed. Where spurs or branches, or connections to existing pipe lines are involved, measurement of the spur or new connecting pipe will be made from the intersection of its central axis with the outside surface of the pipe into which it connects. Where inlets, manholes, junction chambers or other structures are included in lines of pipe, that length of pipe provided for tying into the structure wall will be included for measurement but no other portion of the structure length or width will be included.

Excavation in natural ground for installing concrete pipe will be measured as prescribed in Item 400, "Excavation and Backfill for Structures".

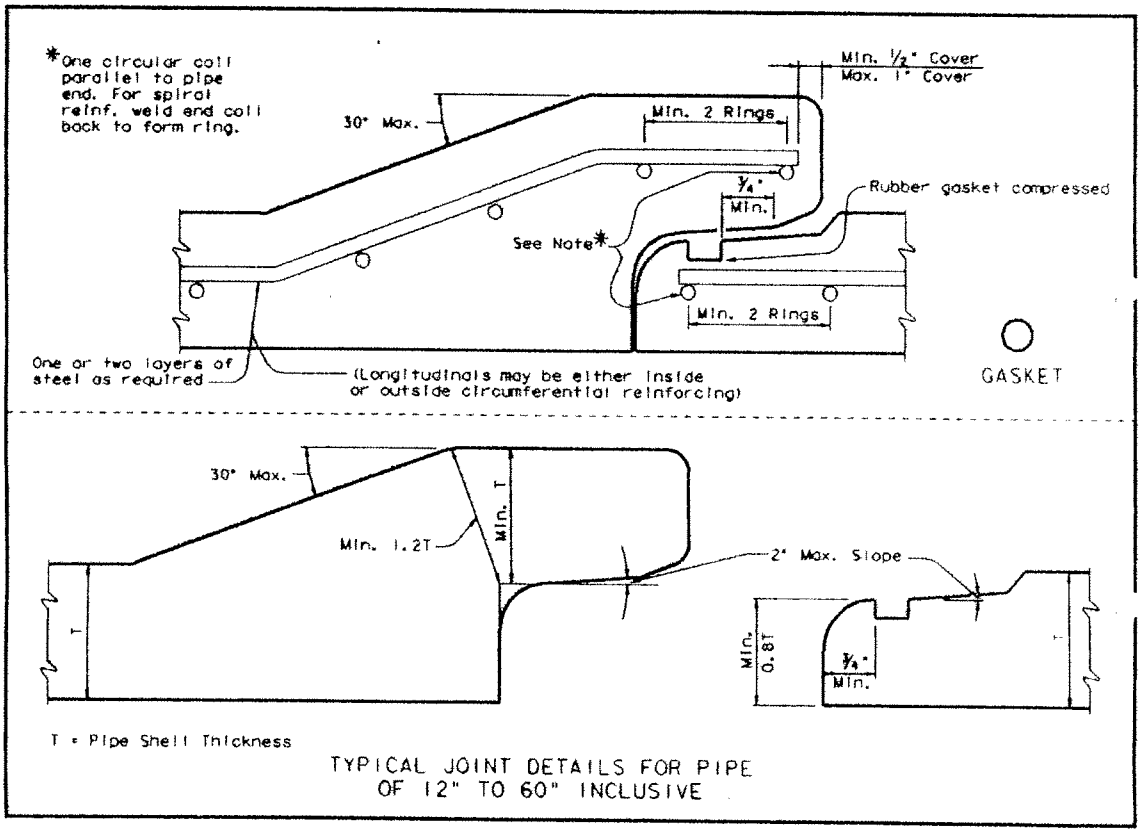
Unless otherwise shown on the plans, structural excavation for pipe and headwalls will not be measured but will be considered subsidiary to the various bid items.

7. **Payment.** The work performed and materials furnished in accordance with this Item and measured as provided under "Measurement" will be paid for at the unit price bid for "Reinforced Concrete Low-Head Pressure Pipe" of the size, class, and type specified. This price is full compensation for constructing, furnishing, transporting, placing, and jointing the pipe; the excavation, hauling and placing of earth cushion material where required for bedding pipe in rock excavation; the preparation and shaping of beds; hauling, placing and jointing of pipes; for end finish; for all connections to existing structures and for all other items of materials, labor, equipment, tools, and incidentals necessary to complete the pipe line in accordance with the plans and this Item, except excavation and backfill; which will be paid for in accordance with Item 400, "Excavation and Backfill for Structures". The excavation of rock or other incompressible materials, as may be required in providing proper bedding, will be paid for in accordance with Item 400, "Excavation and Backfill for Structures".

When the work performed and materials furnished in accordance with this Item and measured as provided under "Measurement" are to be paid for at the unit price bid for "Reinforced Concrete Low-Head Pressure Pipe" of the size, class, and type specified (Install Only), the work performed and materials furnished will not include the Reinforced Concrete Low-Head Pressure Pipe. In such case, the pipe will be furnished to the contractor.

Where pipes are laid on a skew, full compensation for cutting the ends parallel with the centerline of the highway will be considered as included in the price paid for linear foot for the designated item of pipe and no additional allowance will be made therefore.

Protection methods for excavations greater than 5 ft. in depth will be measured and paid for as required under Item 402, "Trench Excavation Protection," or Item 403, "Temporary Special Shoring."



TYPICAL JOINT DETAILS FOR PIPE OF 12" TO 60" INCLUSIVE

CONSTRUCTION GENERAL NOTES

This project will have Calendar Day (CD) Definition for working day.

Upon the request of the Engineer, the Contractor shall furnish to the Engineer a typed narrative report, signed and dated by the Contractor, outlining the manner of prosecution of work that he intends to follow in subsequent thirty-day period.

The Contractor shall provide on a weekly basis a list of equipment, including idle equipment, utilized on the project that week.

The Contractor shall contact the local power companies prior to commencing construction. The Contractor shall coordinate with the power companies for the raising/relocation of power lines where deemed necessary by the Engineer or the Contractor to effect the proposed construction (subsidiary to the various bid Items).

The Contractor's attention is directed to the possible presence of underground utilities on the Right of Way on this project. It is the responsibility of the Contractor to call for locates 48 hours in the advance of excavation or drilling. It shall be the Contractors responsibility to maintain a minimum clearance of two feet (24-inches) plus the width of the line between marked and unexposed facilities and the cutting edge or point of any power-operated excavating or earth-moving equipment. If excavation is required within the 24-inch distance (measured horizontally), the excavation should be performed very carefully with hand tools and without damage to the existing utilities.

Subcontractors also must file their own locate requests. Even if previous marks are on the ground, the subcontractor is still responsible for filing a locate request.

The Contractor will be responsible for damages to the utilities if the damage is caused by negligence or failure to have locates performed. All costs involved in locating existing utilities shall be considered subsidiary to various bid Items.

The Contractor shall coordinate the clearing and grubbing, excavation and removal and replacement of culverts/structures with any utility companies whose facilities are encountered.

The Contractor shall make every effort to preserve existing trees designated by the Engineer to remain following construction. The Contractor is required to follow the TXDOT's pruning guidelines and observe recognized tree surgery practices. Additionally, care shall be taken to minimize disruption or damage to the root system of these designed trees.

Control points are to be supplied by the Engineer prior to commencing work. The Contractor shall be responsible for his own construction staking and maintaining an accurate vertical and horizontal control throughout the contract.

All material testing to be performed by Owner's independent testing laboratory. All testing to be performed when according to the Contractor, the Item is ready for testing. All tests not meeting the required specifications will be paid for by the Contractor. This cost will be deducted from his final estimate.

ITEM 5. CONTROL OF THE WORK

To ensure accurate measurement for final pay quantities and to facilitate the Engineer's check on the Contractor's survey work, the Contractor shall be required to set construction stakes based on plan stations and at 100 ft. Maximum intervals or as directed by the Engineer.

ITEM 6. CONTROL OF MATERIALS

The Contractor will be required to furnish the Engineer the maximum gross weights, including loads, for all vehicles, including trucks, truck-tractors, trailers, semi-trailers or any combination of such vehicles used to deliver materials to the project. Maximum gross weights are to be determined in accordance with Item 6, Article 6.7 of the Standard Specifications.

ITEM 100. PREPARING RIGHT OF WAY

Work for this item shall include removal of all obstructions, objectionable material and concrete. Unless otherwise authorized by the Engineer, all obstructions, objectionable material and concrete shall be disposed of by hauling it to disposal sites arranged for by the Contractor and satisfactory to the Engineer.

The area outside the work zone shall remain in its natural condition, unless otherwise directed by the Engineer.

In accordance with Migratory Bird Treaty Act, during the months of March 1st thru September 1st, the Contractor shall conduct a survey to determine if nests are present within the ROW. If migratory bird nests are found, the Contractor shall not disturb the nesting area until the young have fledged. Pruning, mowing, or any activities that can disturb the nests shall not be conducted until after September 1st or birds have fledged.

Work to be done under this item will not be paid for directly but shall be considered subsidiary to the various bid items.

ITEM 132. EMBANKMENT

Work for this Item shall include all work to construct the channel banks, roadway subbase and any other embankment that is required by the project.

The percent of density, as determined by test method Tex-113-e, shall be a minimum of 95 percent. Density tolerances will be permitted.

The securing of embankment material by the excavation of ditches for beneficial drainage purposes, the removal of spoil banks, and the removal of hills for land leveling within 200 feet of any public road will be permitted, provided that selection criteria is met.

Embankment (DENS CONT) shall be Type C with a max. PI of 40. Borrow used as embankment material in the top two feet below the bottom of Flexible Base shall meet the following requirements based on preliminary tests and such other tests found necessary by the Engineer.

1. The material shall be such as to produce a well-bonded embankment and shall have a minimum PI of 8 and a maximum PI of 30.

The Contractor's attention is called to the fact that the preliminary test will require approximately 15 days and it is the Contractor's responsibility to advise the Engineer of the location of the source sufficiently in advance to avoid delay.

ITEM 420. CONCRETE STRUCTURES

Payment for concrete collars to be plan quantity.

ITEM 432. RIPRAP

Provide Class "A" concrete minimum for riprap placed around all box culvert and pipe.

ITEM 502. BARRICADES, SIGNS AND TRAFFIC HANDLING

The Traffic Control Plan for this project shall be as provided for in the latest edition of the "Texas Manual on Uniform Traffic Control Devices".

Replace/relocate all regulatory signs removed due to construction operations with a same sign on fixed support(s) immediately upon its removal. First obtain project Engineer approval before removing any regulatory roadway sign. Required flaggers are to be available to direct traffic during sign intermediate down time.

Relocate any Directional Sign Assemblies removed during construction operations immediately upon their removal.

These signs shall be relocated to a location in accordance with the Latest Version of the "Texas Manual on Uniform Traffic Control Devices". In no case will a sign be removed without a replaceable sign and support(s) being readily available and a location established. Removal and relocation of these signs required for traffic control will not be paid for directly, but shall be considered subsidiary to Item 502.

Plastic drums shall be used in accordance with the plans and manufacturer's recommendations as approved by the Engineer.

Road closure operations will require the contractor notify all emergency response agencies including Hidalgo County Sheriff's Department, City of McAllen and City of Hidalgo Police and Fire Departments, Texas Department of Public Safety, Ambulance service companies that serve the area as well as the U.S. Postal Service.

SPECIAL SPECIFICATION REINFORCED CONCRETE LOW-HEAD PRESSURE PIPE

The 4-foot depth restriction for heavy equipment passage over pipe structures is voided. The Contractor will be responsible for any construction damage to these facilities.

Contractor to water pressure each pipe joint to a minimum pressure of 10 PSI using Charne's Air Loc Joint Tester Apparatus.

The Hidalgo County Irrigation District No. 2 reserves the right to test the pipe lines prior to acceptance.

Prior to tie-in to canal, pipe line shall be tested for leaks. Contractor shall furnish all equipment and labor necessary to fill pipes to an acceptable water level. HCID No. 2 to set water level elevation.

Leaks through pipe joints shall be repaired using NPC internal joint seal. NPC Internal Joint Seal specifications are attached following these general notes.

Contractor shall be responsible for coordinating with HCID No. 2 before making tie-in.

Contractor will be allowed 72-hours to make tie-in. Contractor shall provide by-pass pumping if canal needs to be down for more than 72-hours to make tie-ins. The required by-pass pumping capacity shall be 117 cfs, minimum.

No additional compensation will be made for testing, repairing leaks, pumping or other incidental work required for the construction of the siphon. This work will be considered subsidiary to the bid item for the reinforced concrete low-head pressure pipe.

AI-11432 **19.C.2.**

Purchase and Installation of Surveillance Security Cameras
CC REGULAR

Date: 09/30/2008
Submitted By: Oscar Garza, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Prct. 2

Information

CAPTION

Presentation for discussion, consideration, and approval to award proposal received from awarded vendor "SimplexGrinnell LP" through Hidalgo County's membership/participation through "TXMAS Contract-5-84070" in an amount not to exceed $67,891.96, for installation of surveillance cameras to 5 locations in Precinct #2 area to include but limited to equipment, labor, installation set up and any other accessories as may be needed for a turnkey solution.

BACKGROUND

As recommended and approved by Precinct #2; the following surveillance cameras will be installed in the following locations as identified in the attachment.

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1XXX-4XX-00-122-0XX-0-748
FUNDS AVAILABLE Y/N?: Pending **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

As per Sergio Cruz please refer to agenda item #11429 (CC 9-30-08 Regular) for appropriation of funding for proposed project #2008-230 for Purchase and installation of surveillance cameras to 5 locations within Pct. #2.

Available balance before and after AI#11429

Account	Bal. Before AI	AI#11429	Bal. After AI
8-1200-431-00-122-004-0-748	$256.14	$17,977.31	$18,233.45
8-1212-452-00-122-008-0-748	$2,074.60	$10,526.37	$12,600.97
8-1100-466-00-122-082-0-748	$2,400.00	$14,578.43	$16,978.43
8-1100-432-00-122-001-0-748	$0.00	$11,150.16	$11,150.16
8-1100-466-00-122-018-0-748	$0.00	$13,659.66	$13,659.66

Total available funds after AI#11429 (misc. accounts) $72,622.67

Attachments

Link: 08-230

Link: 08-230

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Veronica Lopez	09/26/2008 11:45 AM	APRV
2	Manuel Chapa	Manuel Chapa	09/26/2008 03:30 PM	APRV
3	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Oscar Garza Started On: 09/25/2008 04:52 PM

Final Approval Date: 09/26/2008

AI-11432

HIDALGO COUNTY PRECINCT NO.2
Surveillance Security System
Bid #2008-230
QUOTATION GRID

OPTIONS PER LOCATION	SIMPLEX GRINNELL TXMAS -5-84070	SUPERIOR ALARMS H-GAC Contract # SE05-08 and Buyboard Contract # 289-08
Option 1: Administration Office	$17,977.31	$18,805.14
Option 2: South Tower CRC Building	$14,578.43	$28,410.98
Option 3: El Gato Collection Site	$11,150.19	$14,143.22
Option 4: San Juan CRC Building	$13,659.66	$25,692.24
Option 5: Anaya Swimming Park	$10,526.37	$ 9893.94
Total Amount	**$67,891.96**	**$96,945.52**

Oscar Garza

From: Humberto Garza [humberto.garza@co.hidalgo.tx.us]
Sent: Friday, September 26, 2008 8:35 AM
To: oscarg.garza@co.hidalgo.tx.us
Subject: FW: Surveillance Cameras- Pct. 2
Attachments: Project chart cameras - Pct 2.doc

Please confirm that you received this transmittal.

Thank You.

Humberto Garza



Chief Administrator
Hidalgo County Pct. 2
301 E. State Street
Pharr, Tx 78577
(956) 787-1891 office ext. 2021
(956) 787-4683 facsimile
(956) 457-3496 mobile phone

From: Humberto Garza [mailto:humberto.garza@co.hidalgo.tx.us]
Sent: Thursday, September 25, 2008 4:40 PM
To: Oscar Garza (oscar.garza@co.hidalgo.tx.us); Marty Salazar (martha.salazar@co.hidalgo.tx.us)
Cc: 'yoli.cisneros@co.hidalgo.tx.us'; 'Roy.quintanilha@co.hidalgo.tx.us'; Sergio Cruz (sergio.cruz@co.hidalgo.tx.us)
Subject: Surveillance Cameras- Pct. 2

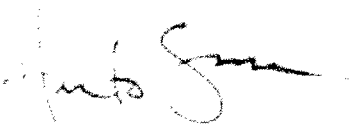
Mr. Garza,

Please note that I have reviewed and considered the vendor's bids/prices forwarded to our office by Moises Salazar from your department for the Surveillance Cameras Project for Hidalgo Precinct 2. We have selected Simplex Grimmel as the vendor satisfactory to provide this product/service.

I am enclosing a courtesy cost comparison for your file.

Please proceed accordingly.

Humberto Garza



Chief Administrator
Hidalgo County Pct. 2

301 E. State Street
Pharr, Tx 78577
(956) 787-1891 office ext. 2021
(956) 787-4683 facsimile
(956) 457-3496 mobile phone

RECEIVED
AUG 27 2008
By

HIDALGO COUNTY PRECINCT NO. 2
PURCHASE OF SURVEILLANCE SECURITY CAMERAS SYSTEMS

PROJECT No. 2008-230-08-27-MSS

REQUEST FOR PROPOSAL
THRU BUY BOARD, TCPN, H-GAC, AND/OR TX-MAS CONTRACT PRICING

-REQUIREMENTS, SPECIFICATIONS, TERMS AND CONDITIONS:

1. SCOPE OF WORK: Hidalgo County is herein **requesting a Proposal thru Buy Board, TCPN, H-GAC, AND/OR TX-MAS pricing** for: "PURCHASE OF SURVEILLANCE SECURITY CAMERAS SYSTEMS" to be installed at herein listed sites in Hidalgo County Precinct No. 2, including but not limited to the following minimum requirements/scope of work:

   a. Security Cameras: Must be a digital system, vandalism proof, with 30 day recording capability. Monitoring will be done at the reception area in the Precinct No. 2 Offices and/or any other place accessed via WEB online connection by designated personnel.

   b. Permits: Obtain any/all construction permits if required.

   c. Proposal should provide different options including a TURN KEY solution to include: equipment, labor, setup, installation, maintenance and training.

   d. Service and Maintenance: Proposal should include services and maintenance fees.

   e. Warranty: Labor and equipment warranties must be expressed in the proposal.

2. Insurance Requirements: The vendor should provide proof of insurance as per County Requirements –Attached Exhibit "C".

3. CIQ Questionnaire: Attached conflict of Interest (Exhibit D) must be filed and recorded at County Clerks Office.

4. Equipment: Vendor warrants that they own or have access to all required equipment and instrumentation required for work performed under this proposal.

5. Certification Regarding Debarment: Attached Certification must be submitted with proposal.

6. Sites and Sites Visit:
   - Administration Office
   - South Tower CRC
   - El Gato Collection Site
   - San Juan CRC
   - Anaya Swimming Park

   Proposal should reflect details including number and type of cameras, and areas to be covered as discussed in the August 19, 2008 walk thru.

7. Payment: Purchase order must be in place before starting any project. Payment will be made within 30 days upon receipt of an invoice.

8. Proposed Price: Fees must detail the following for each of the sites, and a lump sum amount for the complete project cost:
   a. Equipment.
   b. Labor.
   c. Training.
   d. Support and Maintenance.

9. Schedule of Events: Proposal should include a schedule listing time frame (number of days) for completion of project.

10. Contract number: Proposal should include your Contract number with the institution or Co-op for which you are an awarded vendor. Pricing will be verified by Hidalgo County Purchasing Department.

ADDITIONAL INFORMATION

Written Proposals must be submitted by no later than 9:30 A.M. on Wednesday August 27, 2008.

Please submit via hand delivery or courier to 2802 S. Hwy. Business 281, Edinburg, TX 78539, or via postal mail to 2812 S. Hwy. Business 281, Edinburg, TX, or fax to 956-318-2629.

Hidalgo County reserves the right to seek purchases/services from other state awarded vendors or any other cooperative purchasing programs whenever it is in its best interest to do so.

All costs and expenses associated with the preparation and submission of (rfq's, bids, proposals and/or quotes) shall be the responsibility of the participant and no reimbursement for such charges or expenses shall be passed onto Hidalgo County.

Further information required for this project can be requested in writing to, Moises Salazar, Buyer II at Moises.salazar@co.hidalgo.tx.us

EXHIBIT "C"
Insurance Requirements

The Bidder awarded the contract shall furnish proof of insurance, which will also include any subcontractor that is subcontracted by the bidder in at least the following limits, to be in place prior to providing any services under this Contract and to continue at all times in force in effect during the term of this Contract:

1. A Five Hundred Thousand Dollar ($500,000.00) Comprehensive General Liability insurance policy providing additional coverage to all underlying liabilities of County.

2. Automobile liability insurance policy with limits of at least Three Hundred Thousand Dollars ($300,000.00) per person and Five Hundred Thousand Dollars ($500,000.00) per occurrence. Coverage should include injury to or death of persons and property damage claims with limits up to Five Hundred Thousand ($500,000.00) arising out of the services provided to County hereunder.

3. Uninsured/Underinsured motorist coverage in an amount equal to the bodily injury limits set forth immediately above;

4. Workers compensation insurance in amounts established by Texas law, unless the Bidder is specifically exempted from the Texas Workers Compensation Act, Texas Labor Code Chapter 401, et. seq.

Certificates of insurance naming County as an additional insured shall be submitted to County for approval prior to any services being performed by Contractor. Each policy of insurance required hereunder shall extend for a period equivalent to, or longer than the term of the Contract, and any insurer hereunder shall be required to give at least thirty (30) days written notice to the County prior to the cancellation of any such coverage on the termination date, or otherwise. This Contract shall be automatically suspended upon the cancellation, or other termination, of any required policy of insurance hereunder, and such suspension shall continue until evidence adequate replacement coverage is provided to County. If replacement coverage is not provided within thirty (30) days following suspension of the Contract, this Contract shall automatically terminate.

Insurance Requirement Acknowledgment

I, CHRIS MACDONALD, authorized representative for SIMPLEX GRINNELL,
Company/Vendor

hereby acknowledge receipt of the County's required insurance limits. Said requirements:

☒ will be acquired within 10 working days after notification from Purchasing Department of bid awarded by the Hidalgo County Commissioners' Court;

☐ will acquire additional amounts required to meet the County's requirements within 10 working days after notification from Purchasing Department of bid award by the Hidalgo County Commissioners' Court; currently carry the following:

Automobile Liability: $_____ General Liability: $

☐ have already been met, see attached copy of insurance certificate.

_____ 8/27/09
Authorized Representative Date

Notice to Bidder:
A certificate of insurance for the required insurance limits shall be provided to the Purchasing Department's Contract Managers in order to qualify for award of bid and to execute a contract between your Company and the County

Failure to provide Certificates of Insurance to the Purchasing Department's Contract Managers will cause the bid award to be rescinded and re-awarded to next lowest bidder. Certificates of Insurance will be monitored and verified on a **quarterly basis** to ensure coverage policy is in place. It is the Company's obligation to maintain the appropriate insurance coverage throughout the term of the contract.

THIS FORM MUST ACCOMPANY BID PACKET

PROJECT REQUIREMENTS ACKNOWLEDGMENT

This is to certify that I, CHRIS MACDONALD, possess all of the APPLICABLE:

1. Licenses: ✓
2. Bonds: ✓
3. Certificates: ✓
4. Permits: ✓
5. Other: ✓

* UPON RECEIPT OF AWARD – 10 DAYS

necessary to carry out the required project. Furthermore, I am providing copies of the required documentation so that, if my company is awarded this bid, I may be eligible to enter into a contract with Hidalgo County and proceed to complete the project in a timely manner.

* Any licenses, bonds, certificates, permits, etc. which are required must be presented as part of the bid packet in order to expedite the bid evaluation process. Failure to provide said documentation will result in the disqualification of your bid.

Authorized Signature

4/27/08
Date

SIMPLEX GRINNELL
Company

1200 E. HACKBERRY, MCA
Address

McALLEN, TX 78501.
City, State, Zip

EXHIBIT "D"

CONFLICT OF INTEREST QUESTIONNAIRE — FORM CIQ

For vendor or other person doing business with local governmental entity

	OFFICE USE ONLY
This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session. This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a). By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. *See* Section 176.006, Local Government Code A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.	Date Received

1 **Name of person who has a business relationship with local governmental entity.**

N/A SIMPLEFORMWELL LLC / CONTRACTOR

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.**

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 **Name of local government officer with whom filer has employment or business relationship.**

N/A

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

☐ Yes ☒ No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

☐ Yes ☒ No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

☐ Yes ☒ No

D. Describe each employment or business relationship with the local government officer named in this section.

4

N/A

Signature of person doing business with the governmental entity — Date

Adopted 06/29/2007

PROPOSER'S AFFIDAVIT
Exhibit "E"

PROPOSER'S AFFIDAVIT OF NON-COLLUSION
NON-CONFILICT OF INTERST, AND ANTI-LOBBYING

STATE OF TEXAS
COUNTY OF HIDALGO

Affiant, SIMPLEX GRINNELL / CHRIS MACDONALD, being first duly sworn, deposes that:

(1) Affiant does hereby state neither the Proposer nor any of the Proposer's officers, partners, owners, agents, representatives, employees, or parties in interest, has in any way colluded, conspired, agreed, directly or indirectly with any person, firm, corporation, or other proposer, or potential proposer, to provide any money or other valuable consideration for assistance in procuring or attempting to procure a contract or fix the prices in the attached proposed or the proposal of any other proposer, and further states that no such money or other reward will be hereinafter paid.

(2) Affiant further states they have neither recommended or suggested to Hidalgo County or nay of its officials or employees, any of the terms or provisions set forth in their Request for Proposal and subsequent agreement, except at a meeting open to all interested proposers, of which proper notice was given.

(3) Affiant, further states their officers, employees, or agents have not, and will not attempt to lobby, directly or indirectly, the Hidalgo County Commissioner's Court between proposal submission date and award by the Hidalgo County County Commissioner's Court.

(4) Affiant further states no officer, or stockholder of the Proposer is a member of the staff, or related to any employee of the Hidalgo County except as noted herein below:

Signature/Title: _____ ESR
CHRIS MACDONALD

Subscribed and sworn to before me this _____day of _____, 2008.

_____

Notary Public

My commission expires:_____, 2008.

Certification
Regarding Debarment, Suspension and Ineligibility

As is required by the Federal Regulations Implementing Executive Order 12549, Debarment and Suspension, 45 CFR Part 76, Government-wide Debarment and Suspension, the applicant certifies, to the best of his or her knowledge and belief, that both it and its principals:

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency;

b. Have not within a three-year period preceding this bid proposal and/or application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

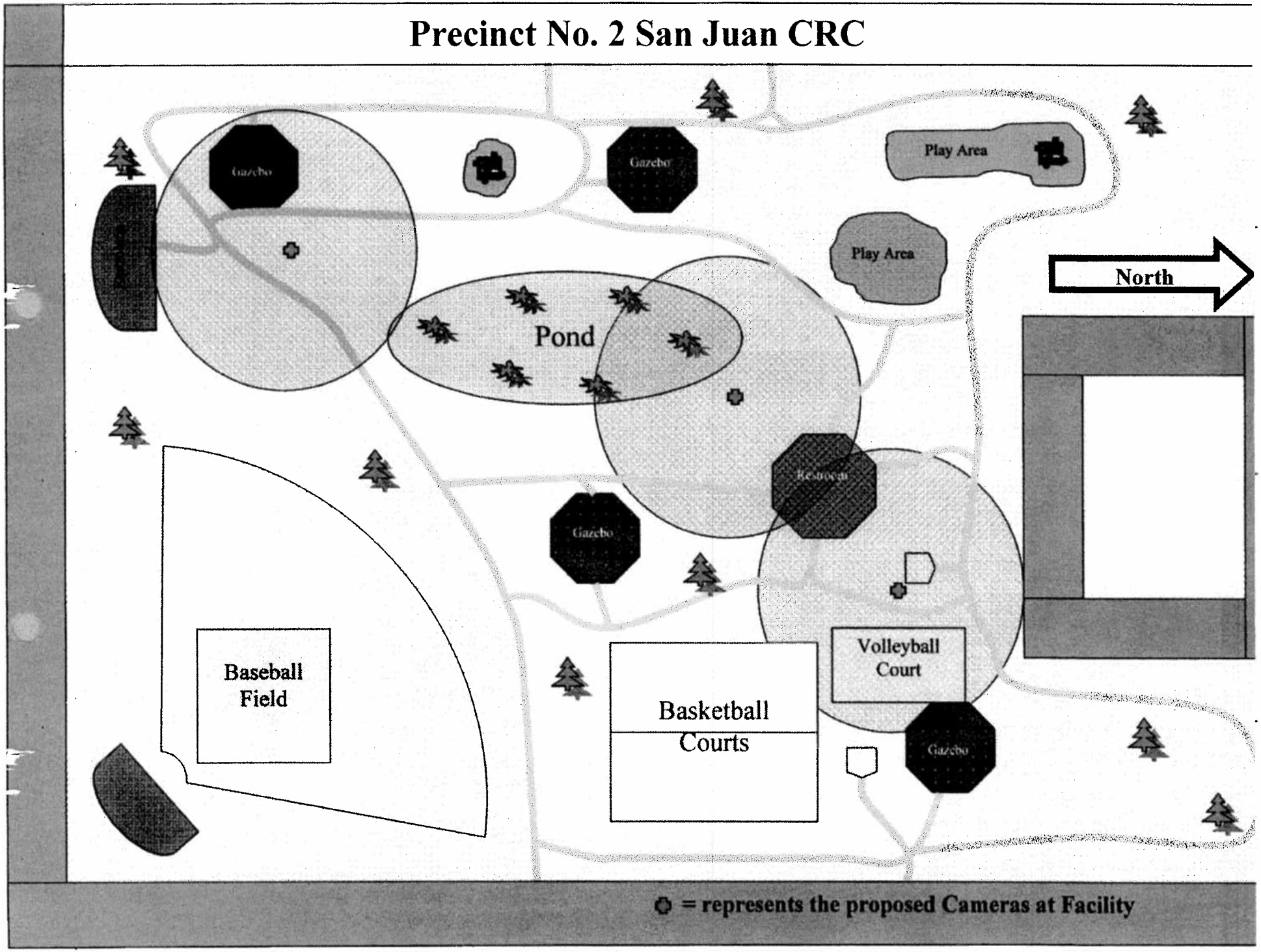
c. Are not presently indicted for or otherwise criminally or civilly charged by a government entity with commission of any of the offenses enumerated herein; and

d. Have not within a three-year period preceding this bid proposal and/or application had one or more public transactions terminated for cause or default.

Signature: _____
Print Name: CHEV MACDONALD
Title: ESSR
Telephone Number: 916-239-2241
Date: 8/22/01

If the bidder is unable to certify to all of the statements in this Certification, such bidder should attach an explanation to this proposal.

Precinct No. 2 San Juan CRC



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Maps | Directions

Maps



Disclaimer: These maps and directions are informational only. No representation is made or warranty given as to their content, road conditions or route usability or expeditiousness. User assumes all risk of use. YELLOWPAGES.COM and its suppliers assume no responsibility for any loss or delay resulting from such use.

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Some data provided by Localeze and Acxiom.

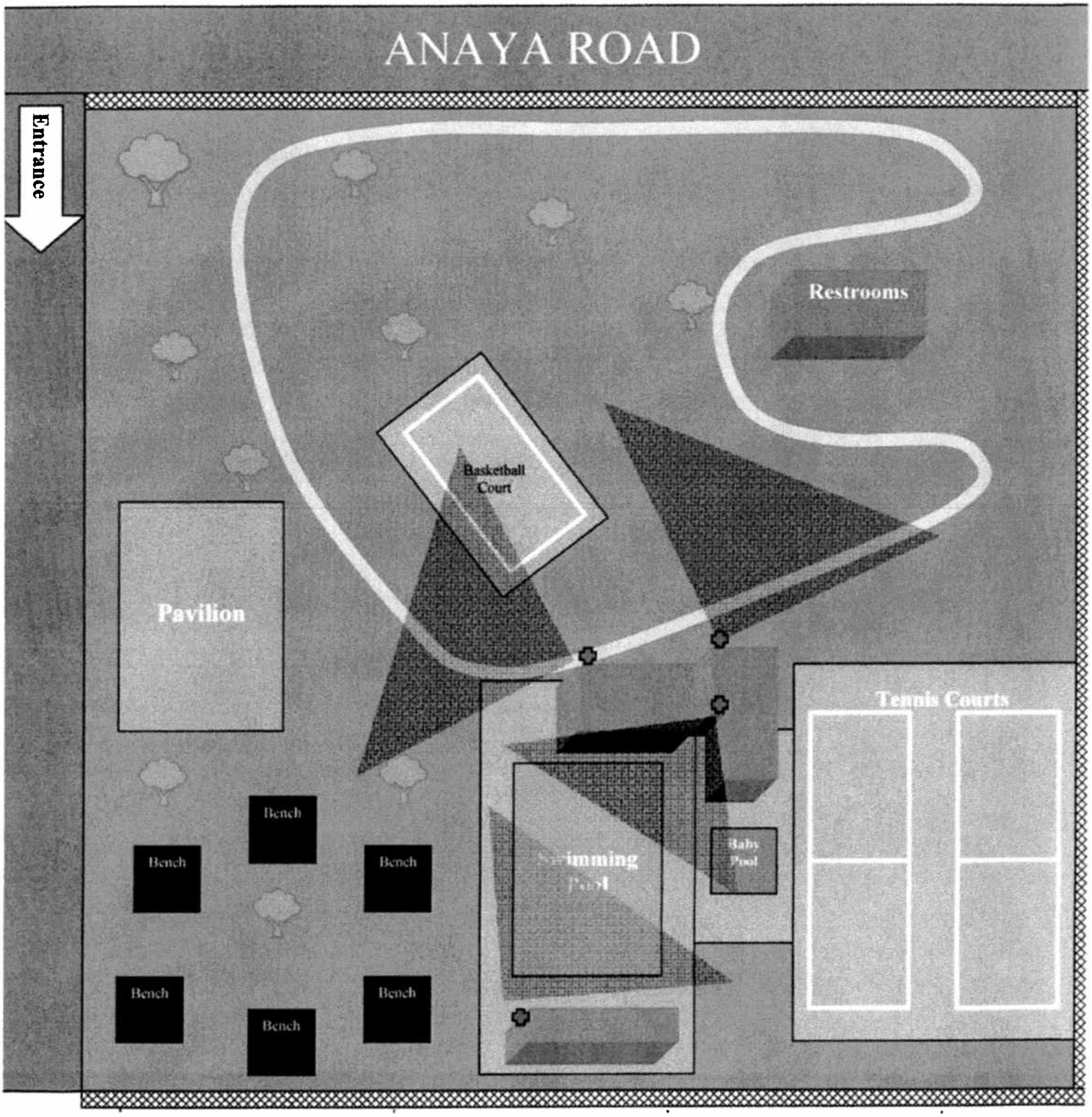
OPTION 5

Hidalgo County Precinct No. 2 Anaya Swimming Park

N
W E
S

= represents the proposed Cameras on the site.

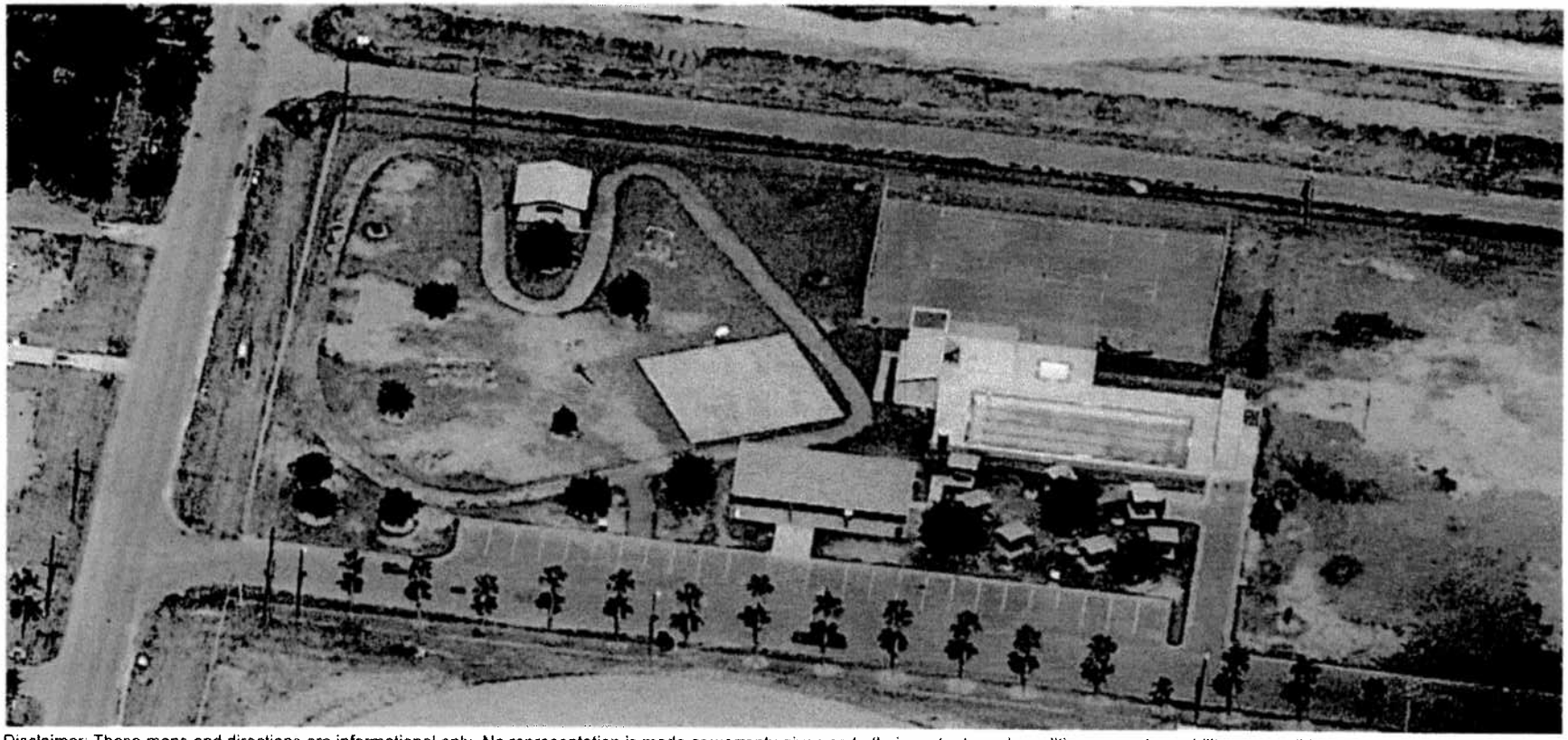
not to scale



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Maps | Directions

Maps



Disclaimer: These maps and directions are informational only. No representation is made or warranty given as to their content, road conditions or route usability or expeditiousness. User assumes all risk of use. YELLOWPAGES.COM and its suppliers assume no responsibility for any loss or delay resulting from such use.

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Some data provided by Localeze and Acxiom.

HIDALGO COUNTY PREICINCT NO. 2

RECEIVED
AUG 27 2008
By

Security Surveillance Options

TXMAS-5-84070 CONTRACT #

Option 1	**Administration Office**
Option 2	**South Tower CRC**
Option 3	**El Gato Collection Site**
Option 4	**San Juan CRC**
Option 5	**Anaya Swimming Park**

OPTION 1

SimplexGrinnell

1200 E Hackberry
Suite A
Mcallen, TX 78501
(361) 289-6174
FAX: (361) 289-6458
www.simplexgrinnell.com

SimplexGrinnell Quotation

TO:
Hidalgo County Bldg & Grounds
Po Box 1356
Edinburg, TX 78540

Project: Precinct 2 - CCTV Pharr
Customer Reference:
SimplexGrinnell Reference: 493401961
Date: 08/27/2008

SimplexGrinnell is pleased to offer for your consideration this quotation for the above project.

ATTENTION: Upon your request, we are providing you with line item pricing for all of the components of the system proposed. Please be aware, however, that ***the unit prices shown on this quotation are for reference only.*** *Due to variations in shipping costs and potential adjustments in system configuration, the line item prices shown may or may not reflect the exact unit costs ultimately invoiced and/or those quoted in the future. The total system price displayed on this quotation will, however, remain as stated unless an authorized change order is processed.*

QUANTITY	MODEL NUMBER	DESCRIPTION	EXTENDED PRICE
		New System	
		New Material List	
1	ADMNM19LCD	19IN LCD CLR MULTIMODE MONITOR	776.76
14	CPAKOTDN10-40N	CAM PACK:COLOR,TRUE DAY/NIGHT,	6,207.60
1	ADEDVR016064	EDVR,16CNL,CDRW,640GB,NTSC/PAL	2,042.22
	DPSUB	HUB SUBCONTRACTING LABOR	8,342.92
1	ADC1624UL	CAMERA POWER SUPPLY 16 OUTPUTS	120.67
		Coaxial Cble, connectors, prog	
		*** TXMAS-5-84070 - CONTRACT #	
		District Services - New System	
	PM LAB	PROJECT/CONSTRUCTION MGMT	203.92
		Sundry Items - New System	
	FREIGHT		283.22

Total net selling price, FOB shipping point, $17,977.31

Comments

Excludes sales tax. Excludes cutting, patching & painting. One Year On-site warranty included.

THIS QUOTATION AND ANY RESULTING CONTRACT SHALL BE SUBJECT TO THE GENERAL TERMS AND CONDITIONS ATTACHED HERETO.
Fire, Security, Communications, Sales & Service
Offices & Representatives in Principal Cities throughout North America

SimplexGrinnell Quotation

Comments (continued)

Customer to provide power for DVR's & LCD Monitors.

TERMS AND CONDITIONS

1. Payment. Payments shall be invoiced and due in accordance with the terms and conditions set forth above. Work performed on a time and material basis shall be at the then-prevailing Company rate for material, labor, and related items, in effect at the time supplied under this Agreement. Company shall invoice Customer for progress payments to one hundred (100%) percent based upon equipment delivered or stored, and services performed. Customers without established satisfactory credit shall make payments of cash in advance, upon delivery or as otherwise specified by Company. Where Customer establishes and maintains satisfactory credit, payments shall be due and payable thirty (30) days from date of invoice. Company reserves the right to revoke or modify Customer's credit at its sole discretion. The Customer's failure to make payment when due is a material breach of this Agreement.

If Customer fails to make any payment when due, in addition to any other rights and remedies available, Company shall have the right, at Company's sole discretion, to stop performing any Services and/or withhold further deliveries of materials, until the account is current. In the event payment is not received when due, Company may, at its discretion, assess late fees at the rate of 1.5% per month or the maximum rate allowed by law. Customer agrees to pay all costs of collection, including without limitation costs, fees, and attorneys' fees. Customer's failure to make payment when due is a material breach of this Agreement until the account is current.

2. Pricing. The pricing set forth in this Agreement is based on the number of devices to be installed and services to be performed as set forth in the Scope of Work ("Equipment" and "Services"). If the actual number of devices installed or services to be performed is greater than that set forth in the Scope of Work, the price will be increased accordingly. If this Agreement extends beyond one year, SimplexGrinnell may increase prices upon notice to the Customer. Customer agrees to pay all taxes, permits, and other charges, including but not limited to state and local sales and excise taxes, however designated, levied or based on the service charges pursuant to this Agreement.

3. Alarm Monitoring Services. Any reference to alarm monitoring services in this Agreement is included for pricing purposes only. Alarm monitoring services are performed pursuant to the terms and conditions of Company's standard alarm monitoring services agreement.

4. Code Compliance. Company does not undertake an obligation to inspect for compliance with laws or regulations unless specifically stated in the Scope of Work. Customer acknowledges that the Authority Having Jurisdiction (e.g. Fire Marshal) may establish additional requirements for compliance with local codes. Any additional services or equipment required will be provided at an additional cost to Customer.

5. Limitation Of Liability; Limitations Of Remedy. It is understood and agreed by the Customer that Company is not an insurer and that insurance coverage, if any, shall be obtained by the Customer and that amounts payable to company hereunder are based upon the value of the services and the scope of liability set forth in this Agreement and are unrelated to the value of the Customer's property and the property of others located on the premises. Customer agrees to look exclusively to the Customer's insurer to recover for injuries or damage in the event of any loss or injury and that Customer releases and waives all right of recovery against Company arising by way of subrogation. Company makes no guaranty or Warranty, including any implied warranty of merchantability or fitness for a particular purpose that equipment or services supplied by Company will detect or avert occurrences or the consequences therefrom that the equipment or service was designed to detect or avert.

It is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from failure on the part of Company to perform any of its obligations under this Agreement. Accordingly, Customer agrees that, Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or service was designed to detect or avert. Should Company be found liable for any loss, damage or injury arising from a failure of the equipment or service in any respect, Company's liability shall be limited to an amount equal to the Agreement price (as increased by the price for any additional work) or where the time and material payment term is selected, Customer's time and material payments to Company. Where this Agreement covers multiple sites, liability shall be limited to the amount of the payments allocable to the site where the incident occurred. Such sum shall be complete and exclusive. If Customer desires Company to assume greater liability, the parties shall amend this Agreement by attaching a rider setting forth the amount of additional liability and the additional amount payable by the Customer for the assumption by Company of such greater liability, provided however that such rider shall in no way be interpreted to hold Company as an insurer. IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY DAMAGE, LOSS, INJURY, OR ANY OTHER CLAIM ARISING FROM ANY SERVICING, ALTERATIONS, MODIFICATIONS, CHANGES, OR MOVEMENTS OF THE COVERED SYSTEM(S) OR ANY OF ITS COMPONENT PARTS BY THE CUSTOMER OR ANY THIRD PARTY. COMPANY SHALL NOT BE LIABLE FOR INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO DAMAGES ARISING FROM THE USE, LOSS OF THE USE, PERFORMANCE, OR FAILURE OF THE COVERED SYSTEM(S) TO PERFORM. The limitations of liability set forth in this Agreement shall inure to the benefit of all parents, subsidiaries and affiliates of company, whether direct or indirect, company's employees, agents, officers and directors.

6. General Provisions. Customer has selected the service level desired after considering and balancing various levels of protection afforded, and their related costs. Customer acknowledges and agrees that by this Agreement, Company, unless specifically stated, does not undertake any obligation to maintain or render Customer's system or equipment as Year 2000 compliant, which shall mean, capable of correctly handling the processing of calendar dates before or after December 31, 1999. All work to be performed by Company will be performed during normal working hours of normal working days (8:00 a.m. – 5:00 p.m., Monday through Friday, excluding Company holidays), as defined by Company, unless additional times are specifically described in this Agreement.

Company will perform the services described in the Scope of Work section ("Services") for one or more system(s) or equipment as described in the Scope of Work section or the listed attachments ("Covered System(s)").

The Customer shall promptly notify Company of any malfunction in the Covered System(s) which comes to Customer's attention. This Agreement assumes the Covered System(s) are in operational and maintainable condition as of the Agreement date. If, upon initial inspection, Company determines that repairs are recommended, repair charges will be submitted for approval prior to any work. Should such repair work be declined Company shall be relieved from any and all liability arising therefrom. UNLESS OTHERWISE SPECIFIED IN THIS AGREEMENT, ANY INSPECTION (AND, IF SPECIFIED, TESTING) PROVIDED UNDER THIS AGREEMENT DOES NOT INCLUDE ANY MAINTENANCE, REPAIRS, ALTERATIONS, REPLACEMENT OF PARTS, OR ANY FIELD ADJUSTMENTS WHATSOEVER, NOR DOES IT INCLUDE THE CORRECTION OF ANY DEFICIENCIES IDENTIFIED BY COMPANY TO CUSTOMER. COMPANY SHALL NOT BE RESPONSIBLE FOR EQUIPMENT FAILURE OCCURRING WHILE COMPANY IS IN THE PROCESS OF FOLLOWING ITS INSPECTION TECHNIQUES, WHERE THE FAILURE ALSO RESULTS FROM THE AGE OR OBSOLESCENCE OF THE ITEM OR DUE TO NORMAL WEAR AND TEAR. THIS AGREEMENT DOES NOT COVER SYSTEMS, EQUIPMENT, COMPONENTS OR PARTS THAT ARE BELOW GRADE, BEHIND WALLS OR OTHER OBSTRUCTIONS OR EXTERIOR TO THE BUILDING, ELECTRICAL WIRING, AND PIPING.

7. Customer Responsibilities. Customer shall furnish all necessary facilities for performance of its work by Company, adequate space for storage and handling of materials, light, water, heat, heat tracing, electrical service, local telephone, watchmen, and crane and elevator service and necessary permits. Where wet pipe system is installed, Customer shall supply and maintain sufficient heat to prevent freezing of the system. Customer shall promptly notify Company of any malfunction in the Covered System(s) which comes to Customer's attention. This Agreement assumes any existing system(s) are in operational and maintainable condition as of the Agreement date. If, upon initial inspection, Company determines that repairs are recommended, repair charges will be submitted for approval prior to any work. Should such repair work be declined Company shall be relieved from any and all liability arising therefrom.

Customer shall further:

- supply required schematics and drawings unless they are to be supplied by Company in accordance with this Agreement;
- Provide a safe work environment, in the event of an emergency or Covered System(s) failure, take reasonable safety precautions to protect against personal injury, death, and property damage, continue such measures until the Covered System(s) are operational, and notify Company as soon as possible under the circumstances.
- Provide Company access to any system(s) to be serviced,
- Comply with all laws, codes, and regulations pertaining to the equipment and/or services provided under this agreement.

8. Excavation. In the event the Work includes excavation, Customer shall pay, as an extra to the contract price, the cost of any additional work performed by Company dues to water, quicksand, rock or other unforeseen condition or obstruction encountered or shoring required.

9. Structure and Site Conditions. While employees of Company will exercise reasonable care in this respect, Company shall be under not responsibility for loss or damage due to the character, condition or use of foundations, walls, or other structures not erected by it or resulting from the excavation in proximity thereto, or for damage resulting from concealed piping, wiring, fixtures, or other equipment or condition of water pressure. All shoring or protection of foundation, walls or other structures subject to being disturbed by any excavation required hereunder shall be the responsibility of Customer. Customer shall have all things in readiness for installation including, without limitation, structure to support the sprinkler system and related equipment (including tanks), other materials, floor or suitable working base, connections and facilities for erection at the time the materials are delivered. In the event Customer fails to have all things in readiness at the time scheduled for receipt of materials, Customer shall reimburse Company for all expenses caused by such failure. Failure to make areas available to Company during performance in accordance with schedules that are the basis for Company's proposal shall be considered a failure to have things in readiness in accordance with the terms of this Agreement.

10. Confined Space. If access to confined space by Company is required for the performance of Services, Services shall be scheduled and performed in accordance with Company's then-current hourly rate.

11. Hazardous Materials. Customer represents that, except to the extent that Company has been given written notice of the following hazards prior to the execution of this Agreement, to the best of Customer's knowledge there is no:

- "permit confined space," as defined by OSHA,
- risk of infectious disease,
- need for air monitoring, respiratory protection, or other medical risk,
- asbestos, asbestos-containing material, formaldehyde or other potentially toxic or otherwise hazardous material contained in or on the surface of the floors, walls, ceilings, insulation or other structural components of the area of any building where work is required to be performed under this Agreement.

All of the above are hereinafter referred to as "Hazardous Conditions".

Company shall have the right to rely on the representations listed above. If hazardous conditions are encountered by Company during the course of Company's work, the discovery of such materials shall constitute an event beyond Company's control and Company shall have no obligation to further perform in the area where the hazardous conditions exist until the area has been made safe by Customer as certified in writing by an independent testing agency, and Customer shall pay disruption expenses and re-mobilization expenses as determined by Company.

This Agreement does not provide for the cost of capture, containment or disposal of any hazardous waste materials, or hazardous materials, encountered in any of the Covered System(s) and/or during performance of the Services. Said materials shall at all times remain the responsibility and property of Customer. Company shall not be responsible for the testing, removal or disposal of such hazardous materials.

12. OSHA Compliance. Customer shall indemnify and hold Company harmless from and against any and all claims, demands and/or damages arising in whole or in part from the enforcement of the Occupational Safety Health Act (and any amendments or changes thereto) unless said claims, demands or damages are a direct result of causes within the exclusive control of Company.

13. Interferences. Customer shall be responsible to coordinate the work of other trades (including but not limited to ducting, piping, and electrical) and for and additional costs incurred by Company arising out of interferences to Company's work caused by other trades.

14. Modifications and Substitutions. Company reserves the right to modify materials, including substituting materials of later design, providing that such modifications or substitutions will not materially affect the performance of the Covered System(s).

15. Changes, Alterations, Additions. Changes, alterations and additions to the Scope of Work, plans, specifications or construction schedule shall be invalid unless approved in writing by Company. Should changes be approved by Company, that increase or decrease the cost of the work to Company, the parties shall agree, in writing, to the change in price prior to performance of aid work. However, if no agreement is reached prior to the time for performance of said work, and Company elects to perform said work so as to avoid delays, then Company's estimate as to the value of said work shall be deemed accepted by Customer. In addition, Customer shall pay for all extra work requested by Customer or made necessary because of incompleteness or inaccuracy of plans or other information submitted by Customer with respect to the location, type of occupancy, or other details of the work to be performed. In the event the layout of Customer's facilities has been altered, or is altered by Customer prior to the completion of the Work, Customer shall advise Company, and prices, delivery and completion dates shall be changed by Company as may be required.

16. Commodities Availability. Company shall not be responsible for failure to provide services, deliver products, or otherwise perform work required by this Agreement due to lack of available steel products or products made from plastics or other commodities. 1) In the event Company is unable, after reasonable commercial efforts, to acquire and provide steel products, or products made from plastics or other commodities, if required to perform work required by this Agreement, Customer hereby agrees that Company may terminate the Agreement, or the relevant portion of the Agreement, at no additional cost and without penalty. Customer agrees to pay Company in full for all work performed up to the time of any such termination. 2) If Company is able to obtain the steel products or products made from plastics or other commodities, but the price of any of the products has risen by more than 10% from the date of the bid, proposal or date Company executed this Agreement, whichever occurred first, then Company may pass through that increase through a reasonable price increase to reflect increased cost of materials.

17. Project Claims. Any claim of failure to perform against Company arising hereunder shall be deemed waived unless received by Company, in writing specifically setting forth the basis for such claim, within ten (10) days after such claims arises.

18. Backcharges. No charges shall be levied against the Seller unless seventy-two (72) hours prior written notice is given to Company to correct any alleged deficiencies which are alleged to necessitate such charges and unless such alleged deficiencies are solely and directly caused by Company.

19. System Equipment. The purchase of equipment or peripheral devices (including but not limited to smoke detectors, passive infrared detectors, card readers, sprinkler system components, extinguishers and hoses) from Company shall be subject to the terms and conditions of this Agreement. If, in Company's sole judgment, any peripheral device or other system equipment, which is attached to the Covered System(s), whether provided by Company or a third party, interferes with the proper operation of the Covered System(s), Customer shall remove or replace such device or equipment promptly upon notice from Company. Failure of Customer to remove or replace the device shall constitute a material breach of this Agreement. If Customer adds any third party device or equipment to the Covered System(s), Company shall not be responsible for any damage to or failure of the Covered System(s) caused in whole or in part by such device or equipment.

20. Reports. Where inspection and/or test services are selected, such inspection and/or test shall be completed on Company's then current Report form, which shall be given to Customer, and, where applicable, Company may submit a copy thereof to the local authority having jurisdiction. The Report and recommendations by Company are only advisory in nature and are intended to assist Customer in reducing the risk of loss to property by indicating obvious defects or impairments noted to the system and equipment inspected and/or tested. They are not intended to imply that no other defects or hazards exist or that all aspects of the Covered System(s), equipment, and components are under control at the time of inspection. Final responsibility for the condition and operation of the Covered System(s) and equipment and components lies with Customer.

21. Limited Warranty. Subject to the limitations below, Company warrants any equipment (as distinguished from the Software) installed pursuant to this Agreement to be free from defects in material and workmanship under normal use for a period of one (1) year from the date of first beneficial us or all or any part of the Covered System(s) or 18 months after Equipment shipments, whichever is earlier, provided however, that Company's soles liability, and Customer's sole remedy, under this limited warranty shall be limited to the repair or replacement of the Equipment or any

part thereof, which Company determines is defective, at Company's sole option and subject to the availability of service personnel and parts, as determined by Company. Company warrants expendable items, including, but not limited to, video and print heads, television camera tubes, video monitor displays tubes, batteries and certain other products in accordance with the applicable manufacturers warranty. Company does not warrant devices designed to fail in protecting the System, such as, but not limited to, fuses and circuit breakers.

Company warrants that any Company software described in this Agreement, as well as software contained in or sold as part of any Equipment described in this Agreement, will reasonably conform to its published specifications in effect at the time of delivery and for ninety (90) days after delivery. However, Customer agrees and acknowledges that the software may have inherent defects because of its complexity. Company's sole obligation with respect to software, and Customer's sole remedy, shall be to make available published modifications, designed to correct inherent defects, which become available during the warranty period.

If Repair Services are included in this Agreement, Company warrants that its workmanship and material for repairs made pursuant to this Agreement will be free from defects for a period of ninety (90) days from the date of furnishing.

EXCEPT AS EXPRESSLY SET FORTH HEREIN, COMPANY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE SERVICES PERFORMED OR THE PRODUCTS, SYSTEMS OR EQUIPMENT, IF ANY, SUPPORTED HEREUNDER. COMPANY MAKES NO WARRANTY OR REPRESENTATION, AND UNDERTAKES NO OBLIGATION TO ENSURE BY THE SERVICES PERFORMED UNDER THIS AGREEMENT, THAT COMPANY'S PRODUCTS OR THE SYSTEMS OR EQUIPMENT OF THE CUSTOMER WILL CORRECTLY HANDLE THE PROCESSING OF CALENDAR DATES BEFORE OR AFTER DECEMBER 31, 1999.

Warranty service will be performed during Company's normal working hours. If Customer requests warranty service at other than normal working hours, service will be performed at Company's then current rates for after ours services. All repairs or adjustments that are or may become necessary shall be performed by and authorized representative of Company. Any repairs, adjustments or interconnections performed by Customer or any third party shall void all warranties.

22. Indemnity. Customer agrees to indemnify, hold harmless and defend Company against any and all losses, damages, costs, including expert fees and costs, and expenses including reasonable defense costs, arising from any and all third party claims for personal injury, death, property damage or economic loss, including specifically any damages resulting from the exposure of workers to Hazardous Conditions whether or not Customer pre-notifies Company of the existence of said hazardous conditions, arising in any way from any act or omission of Customer or Company relating in any way to this Agreement, including but not limited to the Services under this Agreement, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence), strict liability or otherwise. Company reserves the right to select counsel to represent it in any such action.

23. Insurance. Customer shall name Company, its officers, employees, agents, subcontractors, suppliers, and representatives as additional insureds on Customer's general liability and auto liability policies.

24. Termination. Any termination under the terms of this Agreement shall be made in writing. In the event Customer terminates this Agreement prior to completion for any reason not arising solely from Company's performance or failure to perform, Customer understands and agrees that Company will incur costs of administration and preparation that are difficult to estimate or determine. Accordingly, should Customer terminate this Agreement as described above, Customer agrees to pay all charges incurred for products and equipment installed and services performed, and in addition pay an amount equal to twenty (20%) percent of the price of products and equipment not yet delivered and Services not yet performed, return all products and equipment delivered and pay a restocking fee of twenty (20%) percent the price of products or equipment returned.

Company may terminate this Agreement immediately at its sole discretion upon the occurrence of any Event of Default as hereinafter defined. Company may also terminate this Agreement at its sole discretion upon notice to Customer if Company's performance of its obligations under this Agreement becomes impracticable due to obsolescence of equipment at Customer's premises or unavailability of parts.

25. Default. An Event of Default shall be 1) failure of the Customer to pay any amount within ten (10) days after the amount is due and payable, 2) abuse of the System or the Equipment, 3) dissolution, termination, discontinuance, insolvency or business failure of Customer. Upon the occurrence of an Event of Default, Company may pursue one or more of the following remedies, 1) discontinue furnishing Services, 2) by written notice to Customer declare the balance of unpaid amounts due and to become due under the this Agreement to be immediately due and payable, provided that all past due amounts shall bear interest at the rate of 1 ½% per month (18% per year) or the highest amount permitted by law, 3) receive immediate possession of any equipment for which Customer has not paid. 4) proceed at law or equity to enforce performance by Customer or recover damages for breach of this Agreement, and 5) recover all costs and expenses, including without limitation reasonable attorneys' fees, in connection with enforcing or attempting to enforce this Agreement.

26. Exclusions. Unless expressly included in the Scope of Work, this Agreement expressly excludes, without limitation, testing inspection and repair of duct detectors, beam detectors, and UV/IR equipment; provision of fire watches; clearing of ice blockage; draining of improperly pitched piping; replacement of batteries; recharging of chemical suppression systems; reloading of, upgrading, and maintaining computer software; system upgrades and the replacement of obsolete systems, equipment, components or parts; making repairs or replacements necessitated by reason of negligence or misuse of components or equipment or changes to Customer's premises, vandalism, corrosion (including but not limited to micro-bacterially induced corrosion ("MIC")), power failure, current fluctuation, failure due to non-Company installation, lightning, electrical storm, or other severe weather, water, accident, fire, acts of God or any other cause external to the Covered System(s). Repair Services provided pursuant to this Agreement do not cover and specifically excludes system upgrades and the replacement of obsolete systems, equipment, components or parts. All such services may be provided by Company at Company's sole discretion at an additional charge. If Emergency Services are expressly included in the scope of work section, the Agreement price does not include travel expenses.

27. Force Majoure; Delays. Company shall not be liable for any damage or penalty for delays or failure to perform work due to acts of God, acts or omissions of Customer, acts of civil or military authorities, Government regulations or priorities, fires, epidemics, quarantine, restrictions, war, riots, civil disobedience or unrest, strikes, delays in transportation, vehicle shortages, differences with workmen, inability to obtain necessary labor, material or manufacturing facilities, defaults of Company's subcontractors, failure or delay in furnishing compete information by Customer with respect to location or other details of work to be performed, impossibility or impracticability of performance or any other cause or causes beyond Company's control, whether or not similar to the foregoing. In the event of any delay caused as aforesaid, completion shall be extended for a period equal to any such delay, and this contract shall not be void or voidable as a result of the delay. In the event work is temporarily discontinued by any of the foregoing, all unpaid installments of the contract price, les an amount equal to the value of material and labor not furnished, shall be due and payable upon receipt of invoice by Customer.

28. One-Year Limitation On Actions; Choice Of Law. It is agreed that no suit, or cause of action or other proceeding shall be brought against either party more than one (1) year after the accrual of the cause of action or one (1) year after the claim arises, whichever is shorter, whether known or unknown when the claim arises or whether based on tort, contract, or any other legal theory. The laws of Massachusetts shall govern the validity, enforceability, and interpretation of this Agreement.

29. Assignment. Customer may not assign this Agreement without Company's prior written consent. Company may assign this Agreement to an affiliate without obtaining Customer's consent.

30. Entire Agreement. The parties intend this Agreement, together with any attachments or Riders (collectively the "Agreement) to be the final, complete and exclusive expression of their Agreement and the terms and conditions thereof. This Agreement supersedes all prior representations, understandings or agreements between the parties, written or oral, and shall constitute the sole terms and conditions of sale for all equipment and services. No waiver, change, or modification of any terms or conditions of this Agreement shall be binding on Company unless made in writing and signed by an Authorized Representative of Company.

31. Severability. If any provision of this Agreement is held by any court or other competent authority to be void or unenforceable in whole or in part, this Agreement will continue to be valid as to the other provisions and the remainder of the affected provision.

32. Legal Fees. Company shall be entitled to recover from the customer all reasonable legal fees incurred in connection with Company enforcing the terms and conditions of this Agreement.

33. License Information (Security System Customers): **AL** Alabama Electronic Security Board of Licensure 7956 Vaughn Road, PMB 392, Montgomery, Alabama 36116 (334) 264-9388: **AR** Regulated by: Arkansas Board of Private Investigators and Private Security Agencies, #1 State Police Plaza Drive, Little Rock 72209 (501)618-8600: **CA** Alarm company operators are licensed and regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Sacramento, CA, 95814. Upon completion of the installation of the alarm system, the alarm company shall thoroughly instruct the purchaser in the proper use of the alarm system. Failure by the licensee, without legal excuse, to substantially commence work within 20 days from the approximate date specified in the agreement when the work will begin is a violation of the Alarm Company Act.: **NY** Licensed by the N.Y.S. Department of the State: **TX** Texas Commission on Private Security, 5805 N. Lamar Blvd., Austin, TX 78752-4422, 512-424-7710.

IMPORTANT NOTICE TO CUSTOMER

In accepting this Proposal, Customer agrees to the terms and conditions contained herein including those on the following pages of this Agreement and any attachments or riders attached hereto that contain additional terms and conditions. It is understood that these terms and conditions shall prevail over any variation in terms and conditions on any purchase order or other document that the Customer may issue. Any changes in the system requested by the Customer after the execution of this Agreement shall be paid for by the Customer and such changes shall be authorized in writing. **ATTENTION IS DIRECTED TO THE LIMITATION OF LIABILITY, WARRANTY, INDEMNITY AND OTHER CONDITIONS ON THE FOLLOWING PAGES. This Proposal shall be void if not accepted in writing within thirty (30) days from the date of the Proposal.**

Offered By: SimplexGrinnell LP License#: 1200 E Hackberry Suite A Mcallen, TX 78501 Telephone: ~~(361) 289-6174~~ 239-2241 Representative: CHRIS MACDONALD	Accepted By: (Customer) Company: _____ Address: _____ Signature: _____ Title: _____ P.O.#: _____ Date: _____

OPTION 2

SimplexGrinnell

1200 E Hackberry
Suite A
Mcallen, TX 78501
(361) 289-6174
FAX: (361) 289-6458
www.simplexgrinnell.com

SimplexGrinnell Quotation

TO:
Hidalgo County Bldg & Grounds
Po Box 1356
Edinburg, TX 78540

Project: Precinct 2 - CCTV Alamo
Customer Reference:
SimplexGrinnell Reference: 493401968
Date: 08/27/2008

SimplexGrinnell is pleased to offer for your consideration this quotation for the above project.

ATTENTION: Upon your request, we are providing you with line item pricing for all of the components of the system proposed. Please be aware, however, that ***the unit prices shown on this quotation are for reference only****. Due to variations in shipping costs and potential adjustments in system configuration, the line item prices shown may or may not reflect the exact unit costs ultimately invoiced and/or those quoted in the future. The total system price displayed on this quotation will, however, remain as stated unless an authorized change order is processed.*

QUANTITY	MODEL NUMBER	DESCRIPTION	EXTENDED PRICE
		New System	
		New Material List	
1	ADMNM19LCD	19IN LCD CLR MULTIMODE MONITOR	776.66
5	CPAKOTDN10-40N	CAM PACK:COLOR,TRUE DAY/NIGHT,	2,216.75
1	ADC1624UL	CAMERA POWER SUPPLY 16 OUTPUTS	120.66
1	ADEDVR016064	EDVR,16CNL,CDRW,640GB,NTSC/PAL	2,041.98
	DPSUB	HUB SUBCONTRACTING LABOR	6,903.65
		Coaxial Cabling & Connectors	
1	ADSPOT	OUTDR DOME PWR SUPPLY	134.65
1	ADACSNET	USB CCTV CNTRL MOD W/INSTL KIT	250.88
1	ADSDU822IHSN	SDU8-22X,NTSC,ID,HC,SMK	1,703.62
		Programming, Training, install	
		* TXMAS-5-84070 CONTRACT #	
		District Services - New System	
	PM LAB	PROJECT/CONSTRUCTION MGMT	203.88
		Sundry Items - New System	
	FREIGHT		225.70

Total net selling price, FOB shipping point, $14,578.43

Comments

Excludes sales tax. Excludes cutting, patching & painting. One Year On-site warranty included.

THIS QUOTATION AND ANY RESULTING CONTRACT SHALL BE SUBJECT TO THE GENERAL TERMS AND CONDITIONS ATTACHED HERETO.

SimplexGrinnell Quotation

Comments (continued)

Customer to provide power for DVR's, Indoor / Outdoor Cameras & LCD Monitors.

TERMS AND CONDITIONS

1. Payment. Payments shall be invoiced and due in accordance with the terms and conditions set forth above. Work performed on a time and material basis shall be at the then-prevailing Company rate for material, labor, and related items, in effect at the time supplied under this Agreement. Company shall invoice Customer for progress payments to one hundred (100%) percent based upon equipment delivered or stored, and services performed. Customers without established satisfactory credit shall make payments of cash in advance, upon delivery or as otherwise specified by Company. Where Customer establishes and maintains satisfactory credit, payments shall be due and payable thirty (30) days from date of invoice. Company reserves the right to revoke or modify Customer's credit at its sole discretion. The Customer's failure to make payment when due is a material breach of this Agreement.

If Customer fails to make any payment when due, in addition to any other rights and remedies available, Company shall have the right, at Company's sole discretion, to stop performing any Services and/or withhold further deliveries of materials, until the account is current. In the event payment is not received when due, Company may, at its discretion, assess late fees at the rate of 1.5% per month or the maximum rate allowed by law. Customer agrees to pay all costs of collection, including without limitation costs, fees, and attorneys' fees. Customer's failure to make payment when due is a material breach of this Agreement until the account is current.

2. Pricing. The pricing set forth in this Agreement is based on the number of devices to be installed and services to be performed as set forth in the Scope of Work ("Equipment" and "Services"). If the actual number of devices installed or services to be performed is greater than that set forth in the Scope of Work, the price will be increased accordingly. If this Agreement extends beyond one year, SimplexGrinnell may increase prices upon notice to the Customer. Customer agrees to pay all taxes, permits, and other charges, including but not limited to state and local sales and excise taxes, however designated, levied or based on the service charges pursuant to this Agreement.

3. Alarm Monitoring Services. Any reference to alarm monitoring services in this Agreement is included for pricing purposes only. Alarm monitoring services are performed pursuant to the terms and conditions of Company's standard alarm monitoring services agreement.

4. Code Compliance. Company does not undertake an obligation to inspect for compliance with laws or regulations unless specifically stated in the Scope of Work. Customer acknowledges that the Authority Having Jurisdiction (e.g. Fire Marshal) may establish additional requirements for compliance with local codes. Any additional services or equipment required will be provided at an additional cost to Customer.

5. Limitation Of Liability; Limitations Of Remedy. It is understood and agreed by the Customer that Company is not an insurer and that insurance coverage, if any, shall be obtained by the Customer and that amounts payable to company hereunder are based upon the value of the services and the scope of liability set forth in this Agreement and are unrelated to the value of the Customer's property and the property of others located on the premises. Customer agrees to look exclusively to the Customer's insurer to recover for injuries or damage in the event of any loss or injury and that Customer releases and waives all right of recovery against Company arising by way of subrogation. Company makes no guaranty or Warranty, including any implied warranty of merchantability or fitness for a particular purpose that equipment or services supplied by Company will detect or avert occurrences or the consequences therefrom that the equipment or service was designed to detect or avert.

It is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from failure on the part of Company to perform any of its obligations under this Agreement. Accordingly, Customer agrees that, Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or service was designed to detect or avert. Should Company be found liable for any loss, damage or injury arising from a failure of the equipment or service in any respect, Company's liability shall be limited to an amount equal to the Agreement price (as increased by the price for any additional work) or where the time and material payment term is selected, Customer's time and material payments to Company. Where this Agreement covers multiple sites, liability shall be limited to the amount of the payments allocable to the site where the incident occurred. Such sum shall be complete and exclusive. If Customer desires Company to assume greater liability, the parties shall amend this Agreement by attaching a rider setting forth the amount of additional liability and the additional amount payable by the Customer for the assumption by Company of such greater liability, provided however that such rider shall in no way be interpreted to hold Company as an insurer. IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY DAMAGE, LOSS, INJURY, OR ANY OTHER CLAIM ARISING FROM ANY SERVICING, ALTERATIONS, MODIFICATIONS, CHANGES, OR MOVEMENTS OF THE COVERED SYSTEM(S) OR ANY OF ITS COMPONENT PARTS BY THE CUSTOMER OR ANY THIRD PARTY. COMPANY SHALL NOT BE LIABLE FOR INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO DAMAGES ARISING FROM THE USE, LOSS OF THE USE, PERFORMANCE, OR FAILURE OF THE COVERED SYSTEM(S) TO PERFORM. The limitations of liability set forth in this Agreement shall inure to the benefit of all parents, subsidiaries and affiliates of company, whether direct or indirect, company's employees, agents, officers and directors.

6. General Provisions. Customer has selected the service level desired after considering and balancing various levels of protection afforded, and their related costs. Customer acknowledges and agrees that by this Agreement, Company, unless specifically stated, does not undertake any obligation to maintain or render Customer's system or equipment as Year 2000 compliant, which shall mean, capable of correctly handling the processing of calendar dates before or after December 31, 1999. All work to be performed by Company will be performed during normal working hours of normal working days (8:00 a.m. – 5:00 p.m., Monday through Friday, excluding Company holidays), as defined by Company, unless additional times are specifically described in this Agreement.

Company will perform the services described in the Scope of Work section ("Services") for one or more system(s) or equipment as described in the Scope of Work section or the listed attachments ("Covered System(s)").

The Customer shall promptly notify Company of any malfunction in the Covered System(s) which comes to Customer's attention. This Agreement assumes the Covered System(s) are in operational and maintainable condition as of the Agreement date. If, upon initial inspection, Company determines that repairs are recommended, repair charges will be submitted for approval prior to any work. Should such repair work be declined Company shall be relieved from any and all liability arising therefrom. UNLESS OTHERWISE SPECIFIED IN THIS AGREEMENT, ANY INSPECTION (AND, IF SPECIFIED, TESTING) PROVIDED UNDER THIS AGREEMENT DOES NOT INCLUDE ANY MAINTENANCE, REPAIRS, ALTERATIONS, REPLACEMENT OF PARTS, OR ANY FIELD ADJUSTMENTS WHATSOEVER, NOR DOES IT INCLUDE THE CORRECTION OF ANY DEFICIENCIES IDENTIFIED BY COMPANY TO CUSTOMER. COMPANY SHALL NOT BE RESPONSIBLE FOR EQUIPMENT FAILURE OCCURRING WHILE COMPANY IS IN THE PROCESS OF FOLLOWING ITS INSPECTION TECHNIQUES, WHERE THE FAILURE ALSO RESULTS FROM THE AGE OR OBSOLESCENCE OF THE ITEM OR DUE TO NORMAL WEAR AND TEAR. THIS AGREEMENT DOES NOT COVER SYSTEMS, EQUIPMENT, COMPONENTS OR PARTS THAT ARE BELOW GRADE, BEHIND WALLS OR OTHER OBSTRUCTIONS OR EXTERIOR TO THE BUILDING, ELECTRICAL WIRING, AND PIPING.

7. Customer Responsibilities. Customer shall furnish all necessary facilities for performance of its work by Company, adequate space for storage and handling of materials, light, water, heat, heat tracing, electrical service, local telephone, watchman, and crane and elevator service and necessary permits. Where wet pipe system is installed, Customer shall supply and maintain sufficient heat to prevent freezing of the system. Customer shall promptly notify Company of any malfunction in the Covered System(s) which comes to Customer's attention. This Agreement assumes any existing system(s) are in operational and maintainable condition as of the Agreement date. If, upon initial inspection, Company determines that repairs are recommended, repair charges will be submitted for approval prior to any work. Should such repair work be declined Company shall be relieved from any and all liability arising therefrom.

Customer shall further:

- supply required schematics and drawings unless they are to be supplied by Company in accordance with this Agreement;
- Provide a safe work environment, in the event of an emergency or Covered System(s) failure, take reasonable safety precautions to protect against personal injury, death, and property damage, continue such measures until the Covered System(s) are operational, and notify Company as soon as possible under the circumstances.
- Provide Company access to any system(s) to be serviced,
- Comply with all laws, codes, and regulations pertaining to the equipment and/or services provided under this agreement.

8. Excavation. In the event the Work includes excavation, Customer shall pay, as an extra to the contract price, the cost of any additional work performed by Company dues to water, quicksand, rock or other unforeseen condition or obstruction encountered or shoring required.

9. Structure and Site Conditions. While employees of Company will exercise reasonable care in this respect, Company shall be under not responsibility for loss or damage due to the character, condition or use of foundations, walls, or other structures not erected by it or resulting from the excavation in proximity thereto, or for damage resulting from concealed piping, wiring, fixtures, or other equipment or condition of water pressure. All shoring or protection of foundation, walls or other structures subject to being disturbed by any excavation required hereunder shall be the responsibility of Customer. Customer shall have all things in readiness for installation including, without limitation, structure to support the sprinkler system and related equipment (including tanks), other materials, floor or suitable working base, connections and facilities for erection at the time the materials are delivered. In the event Customer fails to have all things in readiness at the time scheduled for receipt of materials, Customer shall reimburse Company for all expenses caused by such failure. Failure to make areas available to Company during performance in accordance with schedules that are the basis for Company's proposal shall be considered a failure to have things in readiness in accordance with the terms of this Agreement.

10. Confined Space. If access to confined space by Company is required for the performance of Services, Services shall be scheduled and performed in accordance with Company's then-current hourly rate.

11. Hazardous Materials. Customer represents that, except to the extent that Company has been given written notice of the following hazards prior to the execution of this Agreement, to the best of Customer's knowledge there is no:

- "permit confined space," as defined by OSHA,
- risk of infectious disease,
- need for air monitoring, respiratory protection, or other medical risk,
- asbestos, asbestos-containing material, formaldehyde or other potentially toxic or otherwise hazardous material contained in or on the surface of the floors, walls, ceilings, insulation or other structural components of the area of any building where work is required to be performed under this Agreement.

All of the above are hereinafter referred to as "Hazardous Conditions".

Company shall have the right to rely on the representations listed above. If hazardous conditions are encountered by Company during the course of Company's work, the discovery of such materials shall constitute an event beyond Company's control and Company shall have no obligation to further perform in the area where the hazardous conditions exist until the area has been made safe by Customer as certified in writing by an independent testing agency, and Customer shall pay disruption expenses and re-mobilization expenses as determined by Company.

This Agreement does not provide for the cost of capture, containment or disposal of any hazardous waste materials, or hazardous materials, encountered in any of the Covered System(s) and/or during performance of the Services. Said materials shall at all times remain the responsibility and property of Customer. Company shall not be responsible for the testing, removal or disposal of such hazardous materials.

12. OSHA Compliance. Customer shall indemnify and hold Company harmless from and against any and all claims, demands and/or damages arising in whole or in part from the enforcement of the Occupational Safety Health Act (and any amendments or changes thereto) unless said claims, demands or damages are a direct result of causes within the exclusive control of Company.

13. Interferences. Customer shall be responsible to coordinate the work of other trades (including but not limited to ducting, piping, and electrical) and for and additional costs incurred by Company arising out of interferences to Company's work caused by other trades.

14. Modifications and Substitutions. Company reserves the right to modify materials, including substituting materials of later design, providing that such modifications or substitutions will not materially affect the performance of the Covered System(s).

15. Changes, Alterations, Additions. Changes, alterations and additions to the Scope of Work, plans, specifications or construction schedule shall be invalid unless approved in writing by Company. Should changes be approved by Company, that increase or decrease the cost of the work to Company, the parties shall agree, in writing, to the change in price prior to performance of aid work. However, if no agreement is reached prior to the time for performance of said work, and Company elects to perform said work so as to avoid delays, then Company's estimate as to the value of said work shall be deemed accepted by Customer. In addition, Customer shall pay for all extra work requested by Customer or made necessary because of incompleteness or inaccuracy of plans or other information submitted by Customer with respect to the location, type of occupancy, or other details of the work to be performed. In the event the layout of Customer's facilities has been altered, or is altered by Customer prior to the completion of the Work, Customer shall advise Company, and prices, delivery and completion dates shall be changed by Company as may be required.

16. Commodities Availability. Company shall not be responsible for failure to provide services, deliver products, or otherwise perform work required by this Agreement due to lack of available steel products or products made from plastics or other commodities. 1) In the event Company is unable, after reasonable commercial efforts, to acquire and provide steel products, or products made from plastics or other commodities, if required to perform work required by this Agreement, Customer hereby agrees that Company may terminate the Agreement, or the relevant portion of the Agreement, at no additional cost and without penalty. Customer agrees to pay Company in full for all work performed up to the time of any such termination. 2) If Company is able to obtain the steel products or products made from plastics or other commodities, but the price of any of the products has risen by more than 10% from the date of the bid, proposal or date Company executed this Agreement, whichever occurred first, then Company may pass through that increase through a reasonable price increase to reflect increased cost of materials.

17. Project Claims. Any claim of failure to perform against Company arising hereunder shall be deemed waived unless received by Company, in writing specifically setting forth the basis for such claim, within ten (10) days after such claims arises.

18. Backcharges. No charges shall be levied against the Seller unless seventy-two (72) hours prior written notice is given to Company to correct any alleged deficiencies which are alleged to necessitate such charges and unless such alleged deficiencies are solely and directly caused by Company.

19. System Equipment. The purchase of equipment or peripheral devices (including but not limited to smoke detectors, passive infrared detectors, card readers, sprinkler system components, extinguishers and hoses) from Company shall be subject to the terms and conditions of this Agreement. If, in Company's sole judgment, any peripheral device or other system equipment, which is attached to the Covered System(s), whether provided by Company or a third party, interferes with the proper operation of the Covered System(s), Customer shall remove or replace such device or equipment promptly upon notice from Company. Failure of Customer to remove or replace the device shall constitute a material breach of this Agreement. If Customer adds any third party device or equipment to the Covered System(s), Company shall not be responsible for any damage to or failure of the Covered System(s) caused in whole or in part by such device or equipment.

20. Reports. Where inspection and/or test services are selected, such inspection and/or test shall be completed on Company's then current Report form, which shall be given to Customer, and, where applicable, Company may submit a copy thereof to the local authority having jurisdiction. The Report and recommendations by Company are only advisory in nature and are intended to assist Customer in reducing the risk of loss to property by indicating obvious defects or impairments noted to the system and equipment inspected and/or tested. They are not intended to imply that no other defects or hazards exist or that all aspects of the Covered System(s), equipment, and components are under control at the time of inspection. Final responsibility for the condition and operation of the Covered System(s) and equipment and components lies with Customer.

21. Limited Warranty. Subject to the limitations below, Company warrants any equipment (as distinguished from the Software) installed pursuant to this Agreement to be free from defects in material and workmanship under normal use for a period of one (1) year from the date of first beneficial us or all or any part of the Covered System(s) or 18 months after Equipment shipments, whichever is earlier, provided however, that Company's soles liability, and Customer's sole remedy, under this limited warranty shall be limited to the repair or replacement of the Equipment or any

part thereof, which Company determines is defective, at Company's sole option and subject to the availability of service personnel and parts, as determined by Company. Company warrants expendable items, including, but not limited to, video and print heads, television camera tubes, video monitor displays tubes, batteries and certain other products in accordance with the applicable manufacturers warranty. Company does not warrant devices designed to fail in protecting the System, such as, but not limited to, fuses and circuit breakers.

Company warrants that any Company software described in this Agreement, as well as software contained in or sold as part of any Equipment described in this Agreement, will reasonably conform to its published specifications in effect at the time of delivery and for ninety (90) days after delivery. However, Customer agrees and acknowledges that the software may have inherent defects because of its complexity. Company's sole obligation with respect to software, and Customer's sole remedy, shall be to make available published modifications, designed to correct inherent defects, which become available during the warranty period.

If Repair Services are included in this Agreement, Company warrants that its workmanship and material for repairs made pursuant to this Agreement will be free from defects for a period of ninety (90) days from the date of furnishing.

EXCEPT AS EXPRESSLY SET FORTH HEREIN, COMPANY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE SERVICES PERFORMED OR THE PRODUCTS, SYSTEMS OR EQUIPMENT, IF ANY, SUPPORTED HEREUNDER. COMPANY MAKES NO WARRANTY OR REPRESENTATION, AND UNDERTAKES NO OBLIGATION TO ENSURE BY THE SERVICES PERFORMED UNDER THIS AGREEMENT, THAT COMPANY'S PRODUCTS OR THE SYSTEMS OR EQUIPMENT OF THE CUSTOMER WILL CORRECTLY HANDLE THE PROCESSING OF CALENDAR DATES BEFORE OR AFTER DECEMBER 31, 1999.

Warranty service will be performed during Company's normal working hours. If Customer requests warranty service at other than normal working hours, service will be performed at Company's then current rates for after ours services. All repairs or adjustments that are or may become necessary shall be performed by and authorized representative of Company. Any repairs, adjustments or interconnections performed by Customer or any third party shall void all warranties.

22. Indemnity. Customer agrees to indemnify, hold harmless and defend Company against any and all losses, damages, costs, including expert fees and costs, and expenses including reasonable defense costs, arising from any and all third party claims for personal injury, death, property damage or economic loss, including specifically any damages resulting from the exposure of workers to Hazardous Conditions whether or not Customer pre-notifies Company of the existence of said hazardous conditions, arising in any way from any act or omission of Customer or Company relating in any way to this Agreement, including but not limited to the Services under this Agreement, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence), strict liability or otherwise. Company reserves the right to select counsel to represent it in any such action.

23. Insurance. Customer shall name Company, its officers, employees, agents, subcontractors, suppliers, and representatives as additional insureds on Customer's general liability and auto liability policies.

24. Termination. Any termination under the terms of this Agreement shall be made in writing. In the event Customer terminates this Agreement prior to completion for any reason not arising solely from Company's performance or failure to perform, Customer understands and agrees that Company will incur costs of administration and preparation that are difficult to estimate or determine. Accordingly, should Customer terminate this Agreement as described above, Customer agrees to pay all charges incurred for products and equipment installed and services performed, and in addition pay an amount equal to twenty (20%) percent of the price of products and equipment not yet delivered and Services not yet performed, return all products and equipment delivered and pay a restocking fee of twenty (20%) percent the price of products or equipment returned.

Company may terminate this Agreement immediately at its sole discretion upon the occurrence of any Event of Default as hereinafter defined. Company may also terminate this Agreement at its sole discretion upon notice to Customer if Company's performance of its obligations under this Agreement becomes impracticable due to obsolescence of equipment at Customer's premises or unavailability of parts.

25. Default. An Event of Default shall be 1) failure of the Customer to pay any amount within ten (10) days after the amount is due and payable, 2) abuse of the System or the Equipment, 3) dissolution, termination, discontinuance, insolvency or business failure of Customer. Upon the occurrence of an Event of Default, Company may pursue one or more of the following remedies, 1) discontinue furnishing Services, 2) by written notice to Customer declare the balance of unpaid amounts due and to become due under the this Agreement to be immediately due and payable, provided that all past due amounts shall bear interest at the rate of 1 ½% per month (18% per year) or the highest amount permitted by law, 3) receive immediate possession of any equipment for which Customer has not paid. 4) proceed at law or equity to enforce performance by Customer or recover damages for breach of this Agreement, and 5) recover all costs and expenses, including without limitation reasonable attorneys' fees, in connection with enforcing or attempting to enforce this Agreement.

26. Exclusions. Unless expressly included in the Scope of Work, this Agreement expressly excludes, without limitation, testing inspection and repair of duct detectors, beam detectors, and UV/IR equipment; provision of fire watches; clearing of ice blockage; draining of improperly pitched piping; replacement of batteries; recharging of chemical suppression systems; reloading of, upgrading, and maintaining computer software; system upgrades and the replacement of obsolete systems, equipment, components or parts; making repairs or replacements necessitated by reason of negligence or misuse of components or equipment or changes to Customer's premises, vandalism, corrosion (including but not limited to micro-bacterially induced corrosion ("MIC")), power failure, current fluctuation, failure due to non-Company installation, lightning, electrical storm, or other severe weather, water, accident, fire, acts of God or any other cause external to the Covered System(s). Repair Services provided pursuant to this Agreement do not cover and specifically excludes system upgrades and the replacement of obsolete systems, equipment, components or parts. All such services may be provided by Company at Company's sole discretion at an additional charge. If Emergency Services are expressly included in the scope of work section, the Agreement price does not include travel expenses.

27. Force Majeure; Delays. Company shall not be liable for any damage or penalty for delays or failure to perform work due to acts of God, acts or omissions of Customer, acts of civil or military authorities, Government regulations or priorities, fires, epidemics, quarantine, restrictions, war, riots, civil disobedience or unrest, strikes, delays in transportation, vehicle shortages, differences with workmen, inability to obtain necessary labor, material or manufacturing facilities, defaults of Company's subcontractors, failure or delay in furnishing compete information by Customer with respect to location or other details of work to be performed, impossibility or impracticability of performance or any other cause or causes beyond Company's control, whether or not similar to the foregoing. In the event of any delay caused as aforesaid, completion shall be extended for a period equal to any such delay, and this contract shall not be void or voidable as a result of the delay. In the event work is temporarily discontinued by any of the foregoing, all unpaid installments of the contract price, les an amount equal to the value of material and labor not furnished, shall be due and payable upon receipt of invoice by Customer.

28. One-Year Limitation On Actions; Choice Of Law. It is agreed that no suit, or cause of action or other proceeding shall be brought against either party more than one (1) year after the accrual of the cause of action or one (1) year after the claim arises, whichever is shorter, whether known or unknown when the claim arises or whether based on tort, contract, or any other legal theory. The laws of Massachusetts shall govern the validity, enforceability, and interpretation of this Agreement.

29. Assignment. Customer may not assign this Agreement without Company's prior written consent. Company may assign this Agreement to an affiliate without obtaining Customer's consent.

30. Entire Agreement. The parties intend this Agreement, together with any attachments or Riders (collectively the "Agreement) to be the final, complete and exclusive expression of their Agreement and the terms and conditions thereof. This Agreement supersedes all prior representations, understandings or agreements between the parties, written or oral, and shall constitute the sole terms and conditions of sale for all equipment and services. No waiver, change, or modification of any terms or conditions of this Agreement shall be binding on Company unless made in writing and signed by an Authorized Representative of Company.

31. Severability. If any provision of this Agreement is held by any court or other competent authority to be void or unenforceable in whole or in part, this Agreement will continue to be valid as to the other provisions and the remainder of the affected provision.

32. Legal Fees. Company shall be entitled to recover from the customer all reasonable legal fees incurred in connection with Company enforcing the terms and conditions of this Agreement.

33. License Information (Security System Customers): **AL** Alabama Electronic Security Board of Licensure 7956 Vaughn Road, PMB 392, Montgomery, Alabama 36116 (334) 264-9388: **AR** Regulated by: Arkansas Board of Private Investigators and Private Security Agencies, #1 State Police Plaza Drive, Little Rock 72209 (501)618-8600: **CA** Alarm company operators are licensed and regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Sacramento, CA, 95814. Upon completion of the installation of the alarm system, the alarm company shall thoroughly instruct the purchaser in the proper use of the alarm system. Failure by the licensee, without legal excuse, to substantially commence work within 20 days from the approximate date specified in the agreement when the work will begin is a violation of the Alarm Company Act.: **NY** Licensed by the N.Y.S. Department of the State: **TX** Texas Commission on Private Security, 5805 N. Lamar Blvd., Austin, TX 78752-4422, 512-424-7710.

IMPORTANT NOTICE TO CUSTOMER

In accepting this Proposal, Customer agrees to the terms and conditions contained herein including those on the following pages of this Agreement and any attachments or riders attached hereto that contain additional terms and conditions. It is understood that these terms and conditions shall prevail over any variation in terms and conditions on any purchase order or other document that the Customer may issue. Any changes in the system requested by the Customer after the execution of this Agreement shall be paid for by the Customer and such changes shall be authorized in writing. **ATTENTION IS DIRECTED TO THE LIMITATION OF LIABILITY, WARRANTY, INDEMNITY AND OTHER CONDITIONS ON THE FOLLOWING PAGES. This Proposal shall be void if not accepted in writing within thirty (30) days from the date of the Proposal.**

Offered By: SimplexGrinnell LP License#: 1200 E Hackberry Suite A Mcallen, TX 78501 Telephone: ~~(361) 280-6174~~ 239-2241 Representative: CHRIS MACDONALD	Accepted By: (Customer) Company: _____ Address: _____ Signature: _____ Title: _____ P.O.#: _____ Date: _____

OPTION 3

SimplexGrinnell

1200 E Hackberry
Suite A
Mcallen, TX 78501
(361) 289-6174
FAX: (361) 289-6458
www.simplexgrinnell.com

SimplexGrinnell Quotation

TO:
Hidalgo County Bldg & Grounds
Po Box 1356
Edinburg, TX 78540

Project: Precinct 2 - El Gato Road
Customer Reference:
SimplexGrinnell Reference: 493401968
Date: 08/27/2008

SimplexGrinnell is pleased to offer for your consideration this quotation for the above project.

ATTENTION: Upon your request, we are providing you with line item pricing for all of the components of the system proposed. Please be aware, however, that ***the unit prices shown on this quotation are for reference only****. Due to variations in shipping costs and potential adjustments in system configuration, the line item prices shown may or may not reflect the exact unit costs ultimately invoiced and/or those quoted in the future. The total system price displayed on this quotation will, however, remain as stated unless an authorized change order is processed.*

QUANTITY	MODEL NUMBER	DESCRIPTION	EXTENDED PRICE
		New System	
		New Material List	
4	CPAKOTDN10-40N	CAM PACK:COLOR,TRUE DAY/NIGHT,	1,770.16
1	ADC1624UL	CAMERA POWER SUPPLY 16 OUTPUTS	120.44
1	ADEDVR016064	EDVR,16CNL,CDRW,640GB,NTSC/PAL	2,038.26
	DPSUB	HUB SUBCONTRACTING LABOR	5,455.43
		Security System for Tool Shed	
		Programming, Training, install	
1	DPDE	DP DETENTION	1,435.65
		* TXMAS-5-84070 CONTRACT #	
		District Services - New System	
	PM LAB	PROJECT/CONSTRUCTION MGMT	203.52
		Sundry Items - New System	
	FREIGHT		126.73

Total net selling price, FOB shipping point, $11,150.19

Comments

Excludes sales tax. Excludes cutting, patching & painting. One Year On-site warranty included. Customer to provide power for DVR's, Indoor / Outdoor Cameras & LCD Monitors. Phone line needed for

THIS QUOTATION AND ANY RESULTING CONTRACT SHALL BE SUBJECT TO THE GENERAL TERMS AND CONDITIONS ATTACHED HERETO.
Fire, Security, Communications, Sales & Service
Offices & Representatives in Principal Cities throughout North America

SimplexGrinnell Quotation

Comments (continued)

monitoring security System. Excludes monthly monitoring fees.

TERMS AND CONDITIONS

1. Payment. Payments shall be invoiced and due in accordance with the terms and conditions set forth above. Work performed on a time and material basis shall be at the then-prevailing Company rate for material, labor, and related items, in effect at the time supplied under this Agreement. Company shall invoice Customer for progress payments to one hundred (100%) percent based upon equipment delivered or stored, and services performed. Customers without established satisfactory credit shall make payments of cash in advance, upon delivery or as otherwise specified by Company. Where Customer establishes and maintains satisfactory credit, payments shall be due and payable thirty (30) days from date of invoice. Company reserves the right to revoke or modify Customer's credit at its sole discretion. The Customer's failure to make payment when due is a material breach of this Agreement.

If Customer fails to make any payment when due, in addition to any other rights and remedies available, Company shall have the right, at Company's sole discretion, to stop performing any Services and/or withhold further deliveries of materials, until the account is current. In the event payment is not received when due, Company may, at its discretion, assess late fees at the rate of 1.5% per month or the maximum rate allowed by law. Customer agrees to pay all costs of collection, including without limitation costs, fees, and attorneys' fees. Customer's failure to make payment when due is a material breach of this Agreement until the account is current.

2. Pricing. The pricing set forth in this Agreement is based on the number of devices to be installed and services to be performed as set forth in the Scope of Work ("Equipment" and "Services"). If the actual number of devices installed or services to be performed is greater than that set forth in the Scope of Work, the price will be increased accordingly. If this Agreement extends beyond one year, SimplexGrinnell may increase prices upon notice to the Customer. Customer agrees to pay all taxes, permits, and other charges, including but not limited to state and local sales and excise taxes, however designated, levied or based on the service charges pursuant to this Agreement.

3. Alarm Monitoring Services. Any reference to alarm monitoring services in this Agreement is included for pricing purposes only. Alarm monitoring services are performed pursuant to the terms and conditions of Company's standard alarm monitoring services agreement.

4. Code Compliance. Company does not undertake an obligation to inspect for compliance with laws or regulations unless specifically stated in the Scope of Work. Customer acknowledges that the Authority Having Jurisdiction (e.g. Fire Marshal) may establish additional requirements for compliance with local codes. Any additional services or equipment required will be provided at an additional cost to Customer.

5. Limitation Of Liability; Limitations Of Remedy. It is understood and agreed by the Customer that Company is not an insurer and that insurance coverage, if any, shall be obtained by the Customer and that amounts payable to company hereunder are based upon the value of the services and the scope of liability set forth in this Agreement and are unrelated to the value of the Customer's property and the property of others located on the premises. Customer agrees to look exclusively to the Customer's insurer to recover for injuries or damage in the event of any loss or injury and that Customer releases and waives all right of recovery against Company arising by way of subrogation. Company makes no guaranty or Warranty, including any implied warranty of merchantability or fitness for a particular purpose that equipment or services supplied by Company will detect or avert occurrences or the consequences therefrom that the equipment or service was designed to detect or avert.

It is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from failure on the part of Company to perform any of its obligations under this Agreement. Accordingly, Customer agrees that, Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or service was designed to detect or avert. Should Company be found liable for any loss, damage or injury arising from a failure of the equipment or service in any respect, Company's liability shall be limited to an amount equal to the Agreement price (as increased by the price for any additional work) or where the time and material payment term is selected, Customer's time and material payments to Company. Where this Agreement covers multiple sites, liability shall be limited to the amount of the payments allocable to the site where the incident occurred. Such sum shall be complete and exclusive. If Customer desires Company to assume greater liability, the parties shall amend this Agreement by attaching a rider setting forth the amount of additional liability and the additional amount payable by the Customer for the assumption by Company of such greater liability, provided however that such rider shall in no way be interpreted to hold Company as an insurer. IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY DAMAGE, LOSS, INJURY, OR ANY OTHER CLAIM ARISING FROM ANY SERVICING, ALTERATIONS, MODIFICATIONS, CHANGES, OR MOVEMENTS OF THE COVERED SYSTEM(S) OR ANY OF ITS COMPONENT PARTS BY THE CUSTOMER OR ANY THIRD PARTY. COMPANY SHALL NOT BE LIABLE FOR INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO DAMAGES ARISING FROM THE USE, LOSS OF THE USE, PERFORMANCE, OR FAILURE OF THE COVERED SYSTEM(S) TO PERFORM. The limitations of liability set forth in this Agreement shall inure to the benefit of all parents, subsidiaries and affiliates of company, whether direct or indirect, company's employees, agents, officers and directors.

6. General Provisions. Customer has selected the service level desired after considering and balancing various levels of protection afforded, and their related costs. Customer acknowledges and agrees that by this Agreement, Company, unless specifically stated, does not undertake any obligation to maintain or render Customer's system or equipment as Year 2000 compliant, which shall mean, capable of correctly handling the processing of calendar dates before or after December 31, 1999. All work to be performed by Company will be performed during normal working hours of normal working days (8:00 a.m. - 5:00 p.m., Monday through Friday, excluding Company holidays), as defined by Company, unless additional times are specifically described in this Agreement.

Company will perform the services described in the Scope of Work section ("Services") for one or more system(s) or equipment as described in the Scope of Work section or the listed attachments ("Covered System(s)").

The Customer shall promptly notify Company of any malfunction in the Covered System(s) which comes to Customer's attention. This Agreement assumes the Covered System(s) are in operational and maintainable condition as of the Agreement date. If, upon initial inspection, Company determines that repairs are recommended, repair charges will be submitted for approval prior to any work. Should such repair work be declined Company shall be relieved from any and all liability arising therefrom. UNLESS OTHERWISE SPECIFIED IN THIS AGREEMENT, ANY INSPECTION (AND, IF SPECIFIED, TESTING) PROVIDED UNDER THIS AGREEMENT DOES NOT INCLUDE ANY MAINTENANCE, REPAIRS, ALTERATIONS, REPLACEMENT OF PARTS, OR ANY FIELD ADJUSTMENTS WHATSOEVER, NOR DOES IT INCLUDE THE CORRECTION OF ANY DEFICIENCIES IDENTIFIED BY COMPANY TO CUSTOMER. COMPANY SHALL NOT BE RESPONSIBLE FOR EQUIPMENT FAILURE OCCURRING WHILE COMPANY IS IN THE PROCESS OF FOLLOWING ITS INSPECTION TECHNIQUES, WHERE THE FAILURE ALSO RESULTS FROM THE AGE OR OBSOLESCENCE OF THE ITEM OR DUE TO NORMAL WEAR AND TEAR. THIS AGREEMENT DOES NOT COVER SYSTEMS, EQUIPMENT, COMPONENTS OR PARTS THAT ARE BELOW GRADE, BEHIND WALLS OR OTHER OBSTRUCTIONS OR EXTERIOR TO THE BUILDING, ELECTRICAL WIRING, AND PIPING.

7. Customer Responsibilities. Customer shall furnish all necessary facilities for performance of its work by Company, adequate space for storage and handling of materials, light, water, heat, heat tracing, electrical service, local telephone, watchman, and crane and elevator service and necessary permits. Where wet pipe system is installed, Customer shall supply and maintain sufficient heat to prevent freezing of the system. Customer shall promptly notify Company of any malfunction in the Covered System(s) which comes to Customer's attention. This Agreement assumes any existing system(s) are in operational and maintainable condition as of the Agreement date. If, upon initial inspection, Company determines that repairs are recommended, repair charges will be submitted for approval prior to any work. Should such repair work be declined Company shall be relieved from any and all liability arising therefrom.

Customer shall further:

- supply required schematics and drawings unless they are to be supplied by Company in accordance with this Agreement;
- Provide a safe work environment, in the event of an emergency or Covered System(s) failure, take reasonable safety precautions to protect against personal injury, death, and property damage, continue such measures until the Covered System(s) are operational, and notify Company as soon as possible under the circumstances.
- Provide Company access to any system(s) to be serviced,
- Comply with all laws, codes, and regulations pertaining to the equipment and/or services provided under this agreement.

8. Excavation. In the event the Work includes excavation, Customer shall pay, as an extra to the contract price, the cost of any additional work performed by Company dues to water, quicksand, rock or other unforeseen condition or obstruction encountered or shoring required.

9. Structure and Site Conditions. While employees of Company will exercise reasonable care in this respect, Company shall be under not responsibility for loss or damage due to the character, condition or use of foundations, walls, or other structures not erected by it or resulting from the excavation in proximity thereto, or for damage resulting from concealed piping, wiring, fixtures, or other equipment or condition of water pressure. All shoring or protection of foundation, walls or other structures subject to being disturbed by any excavation required hereunder shall be the responsibility of Customer. Customer shall have all things in readiness for installation including, without limitation, structure to support the sprinkler system and related equipment (including tanks), other materials, floor or suitable working base, connections and facilities for erection at the time the materials are delivered. In the event Customer fails to have all things in readiness at the time scheduled for receipt of materials, Customer shall reimburse Company for all expenses caused by such failure. Failure to make areas available to Company during performance in accordance with schedules that are the basis for Company's proposal shall be considered a failure to have things in readiness in accordance with the terms of this Agreement.

10. Confined Space. If access to confined space by Company is required for the performance of Services, Services shall be scheduled and performed in accordance with Company's then-current hourly rate.

11. Hazardous Materials. Customer represents that, except to the extent that Company has been given written notice of the following hazards prior to the execution of this Agreement, to the best of Customer's knowledge there is no:

- "permit confined space," as defined by OSHA,
- risk of infectious disease,
- need for air monitoring, respiratory protection, or other medical risk,
- asbestos, asbestos-containing material, formaldehyde or other potentially toxic or otherwise hazardous material contained in or on the surface of the floors, walls, ceilings, insulation or other structural components of the area of any building where work is required to be performed under this Agreement.

All of the above are hereinafter referred to as "Hazardous Conditions".

Company shall have the right to rely on the representations listed above. If hazardous conditions are encountered by Company during the course of Company's work, the discovery of such materials shall constitute an event beyond Company's control and Company shall have no obligation to further perform in the area where the hazardous conditions exist until the area has been made safe by Customer as certified in writing by an independent testing agency, and Customer shall pay disruption expenses and re-mobilization expenses as determined by Company.

This Agreement does not provide for the cost of capture, containment or disposal of any hazardous waste materials, or hazardous materials, encountered in any of the Covered System(s) and/or during performance of the Services. Said materials shall at all times remain the responsibility and property of Customer. Company shall not be responsible for the testing, removal or disposal of such hazardous materials.

12. OSHA Compliance. Customer shall indemnify and hold Company harmless from and against any and all claims, demands and/or damages arising in whole or in part from the enforcement of the Occupational Safety Health Act (and any amendments or changes thereto) unless said claims, demands or damages are a direct result of causes within the exclusive control of Company.

13. Interferences. Customer shall be responsible to coordinate the work of other trades (including but not limited to ducting, piping, and electrical) and for and additional costs incurred by Company arising out of interferences to Company's work caused by other trades.

14. Modifications and Substitutions. Company reserves the right to modify materials, including substituting materials of later design, providing that such modifications or substitutions will not materially affect the performance of the Covered System(s).

15. Changes, Alterations, Additions. Changes, alterations and additions to the Scope of Work, plans, specifications or construction schedule shall be invalid unless approved in writing by Company. Should changes be approved by Company, that increase or decrease the cost of the work to Company, the parties shall agree, in writing, to the change in price prior to performance of aid work. However, if no agreement is reached prior to the time for performance of said work, and Company elects to perform said work so as to avoid delays, then Company's estimate as to the value of said work shall be deemed accepted by Customer. In addition, Customer shall pay for all extra work requested by Customer or made necessary because of incompleteness or inaccuracy of plans or other information submitted by Customer with respect to the location, type of occupancy, or other details of the work to be performed. In the event the layout of Customer's facilities has been altered, or is altered by Customer prior to the completion of the Work, Customer shall advise Company, and prices, delivery and completion dates shall be changed by Company as may be required.

16. Commodities Availability. Company shall not be responsible for failure to provide services, deliver products, or otherwise perform work required by this Agreement due to lack of available steel products or products made from plastics or other commodities. 1) In the event Company is unable, after reasonable commercial efforts, to acquire and provide steel products, or products made from plastics or other commodities, if required to perform work required by this Agreement, Customer hereby agrees that Company may terminate the Agreement, or the relevant portion of the Agreement, at no additional cost and without penalty. Customer agrees to pay Company in full for all work performed up to the time of any such termination. 2) If Company is able to obtain the steel products or products made from plastics or other commodities, but the price of any of the products has risen by more than 10% from the date of the bid, proposal or date Company executed this Agreement, whichever occurred first, then Company may pass through that increase through a reasonable price increase to reflect increased cost of materials.

17. Project Claims. Any claim of failure to perform against Company arising hereunder shall be deemed waived unless received by Company, in writing specifically setting forth the basis for such claim, within ten (10) days after such claims arises.

18. Backcharges. No charges shall be levied against the Seller unless seventy-two (72) hours prior written notice is given to Company to correct any alleged deficiencies which are alleged to necessitate such charges and unless such alleged deficiencies are solely and directly caused by Company.

19. System Equipment. The purchase of equipment or peripheral devices (including but not limited to smoke detectors, passive infrared detectors, card readers, sprinkler system components, extinguishers and hoses) from Company shall be subject to the terms and conditions of this Agreement. If, in Company's sole judgment, any peripheral device or other system equipment, which is attached to the Covered System(s), whether provided by Company or a third party, interferes with the proper operation of the Covered System(s), Customer shall remove or replace such device or equipment promptly upon notice from Company. Failure of Customer to remove or replace the device shall constitute a material breach of this Agreement. If Customer adds any third party device or equipment to the Covered System(s), Company shall not be responsible for any damage to or failure of the Covered System(s) caused in whole or in part by such device or equipment.

20. Reports. Where inspection and/or test services are selected, such inspection and/or test shall be completed on Company's then current Report form, which shall be given to Customer, and, where applicable, Company may submit a copy thereof to the local authority having jurisdiction. The Report and recommendations by Company are only advisory in nature and are intended to assist Customer in reducing the risk of loss to property by indicating obvious defects or impairments noted to the system and equipment inspected and/or tested. They are not intended to imply that no other defects or hazards exist or that all aspects of the Covered System(s), equipment, and components are under control at the time of inspection. Final responsibility for the condition and operation of the Covered System(s) and equipment and components lies with Customer.

21. Limited Warranty. Subject to the limitations below, Company warrants any equipment (as distinguished from the Software) installed pursuant to this Agreement to be free from defects in material and workmanship under normal use for a period of one (1) year from the date of first beneficial us or all or any part of the Covered System(s) or 18 months after Equipment shipments, whichever is earlier, provided however, that Company's soles liability, and Customer's sole remedy, under this limited warranty shall be limited to the repair or replacement of the Equipment or any

part thereof, which Company determines is defective, at Company's sole option and subject to the availability of service personnel and parts, as determined by Company. Company warrants expendable items, including, but not limited to, video and print heads, television camera tubes, video monitor displays tubes, batteries and certain other products in accordance with the applicable manufacturers warranty. Company does not warrant devices designed to fail in protecting the System, such as, but not limited to, fuses and circuit breakers.

Company warrants that any Company software described in this Agreement, as well as software contained in or sold as part of any Equipment described in this Agreement, will reasonably conform to its published specifications in effect at the time of delivery and for ninety (90) days after delivery. However, Customer agrees and acknowledges that the software may have inherent defects because of its complexity. Company's sole obligation with respect to software, and Customer's sole remedy, shall be to make available published modifications, designed to correct inherent defects, which become available during the warranty period.

If Repair Services are included in this Agreement, Company warrants that its workmanship and material for repairs made pursuant to this Agreement will be free from defects for a period of ninety (90) days from the date of furnishing.

EXCEPT AS EXPRESSLY SET FORTH HEREIN, COMPANY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE SERVICES PERFORMED OR THE PRODUCTS, SYSTEMS OR EQUIPMENT, IF ANY, SUPPORTED HEREUNDER. COMPANY MAKES NO WARRANTY OR REPRESENTATION, AND UNDERTAKES NO OBLIGATION TO ENSURE BY THE SERVICES PERFORMED UNDER THIS AGREEMENT, THAT COMPANY'S PRODUCTS OR THE SYSTEMS OR EQUIPMENT OF THE CUSTOMER WILL CORRECTLY HANDLE THE PROCESSING OF CALENDAR DATES BEFORE OR AFTER DECEMBER 31, 1999.

Warranty service will be performed during Company's normal working hours. If Customer requests warranty service at other than normal working hours, service will be performed at Company's then current rates for after ours services. All repairs or adjustments that are or may become necessary shall be performed by and authorized representative of Company. Any repairs, adjustments or interconnections performed by Customer or any third party shall void all warranties.

22. Indemnity. Customer agrees to indemnify, hold harmless and defend Company against any and all losses, damages, costs, including expert fees and costs, and expenses including reasonable defense costs, arising from any and all third party claims for personal injury, death, property damage or economic loss, including specifically any damages resulting from the exposure of workers to Hazardous Conditions whether or not Customer pre-notifies Company of the existence of said hazardous conditions, arising in any way from any act or omission of Customer or Company relating in any way to this Agreement, including but not limited to the Services under this Agreement, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence), strict liability or otherwise. Company reserves the right to select counsel to represent it in any such action.

23. Insurance. Customer shall name Company, its officers, employees, agents, subcontractors, suppliers, and representatives as additional insureds on Customer's general liability and auto liability policies.

24. Termination. Any termination under the terms of this Agreement shall be made in writing. In the event Customer terminates this Agreement prior to completion for any reason not arising solely from Company's performance or failure to perform, Customer understands and agrees that Company will incur costs of administration and preparation that are difficult to estimate or determine. Accordingly, should Customer terminate this Agreement as described above, Customer agrees to pay all charges incurred for products and equipment installed and services performed, and in addition pay an amount equal to twenty (20%) percent of the price of products and equipment not yet delivered and Services not yet performed, return all products and equipment delivered and pay a restocking fee of twenty (20%) percent the price of products or equipment returned.

Company may terminate this Agreement immediately at its sole discretion upon the occurrence of any Event of Default as hereinafter defined. Company may also terminate this Agreement at its sole discretion upon notice to Customer if Company's performance of its obligations under this Agreement becomes impracticable due to obsolescence of equipment at Customer's premises or unavailability of parts.

25. Default. An Event of Default shall be 1) failure of the Customer to pay any amount within ten (10) days after the amount is due and payable, 2) abuse of the System or the Equipment, 3) dissolution, termination, discontinuance, insolvency or business failure of Customer. Upon the occurrence of an Event of Default, Company may pursue one or more of the following remedies, 1) discontinue furnishing Services, 2) by written notice to Customer declare the balance of unpaid amounts due and to become due under the this Agreement to be immediately due and payable, provided that all past due amounts shall bear interest at the rate of 1 ½% per month (18% per year) or the highest amount permitted by law, 3) receive immediate possession of any equipment for which Customer has not paid. 4) proceed at law or equity to enforce performance by Customer or recover damages for breach of this Agreement, and 5) recover all costs and expenses, including without limitation reasonable attorneys' fees, in connection with enforcing or attempting to enforce this Agreement.

26. Exclusions. Unless expressly included in the Scope of Work, this Agreement expressly excludes, without limitation, testing inspection and repair of duct detectors, beam detectors, and UV/IR equipment; provision of fire watches; clearing of ice blockage; draining of improperly pitched piping; replacement of batteries; recharging of chemical suppression systems; reloading of, upgrading, and maintaining computer software; system upgrades and the replacement of obsolete systems, equipment, components or parts; making repairs or replacements necessitated by reason of negligence or misuse of components or equipment or changes to Customer's premises, vandalism, corrosion (including but not limited to micro-bacterially induced corrosion ("MIC")), power failure, current fluctuation, failure due to non-Company installation, lightning, electrical storm, or other severe weather, water, accident, fire, acts of God or any other cause external to the Covered System(s). Repair Services provided pursuant to this Agreement do not cover and specifically excludes system upgrades and the replacement of obsolete systems, equipment, components or parts. All such services may be provided by Company at Company's sole discretion at an additional charge. If Emergency Services are expressly included in the scope of work section, the Agreement price does not include travel expenses.

27. Force Majeure; Delays. Company shall not be liable for any damage or penalty for delays or failure to perform work due to acts of God, acts or omissions of Customer, acts of civil or military authorities, Government regulations or priorities, fires, epidemics, quarantine, restrictions, war, riots, civil disobedience or unrest, strikes, delays in transportation, vehicle shortages, differences with workmen, inability to obtain necessary labor, material or manufacturing facilities, defaults of Company's subcontractors, failure or delay in furnishing compete information by Customer with respect to location or other details of work to be performed, impossibility or impracticability of performance or any other cause or causes beyond Company's control, whether or not similar to the foregoing. In the event of any delay caused as aforesaid, completion shall be extended for a period equal to any such delay, and this contract shall not be void or voidable as a result of the delay. In the event work is temporarily discontinued by any of the foregoing, all unpaid installments of the contract price, les an amount equal to the value of material and labor not furnished, shall be due and payable upon receipt of invoice by Customer.

28. One-Year Limitation On Actions; Choice Of Law. It is agreed that no suit, or cause of action or other proceeding shall be brought against either party more than one (1) year after the accrual of the cause of action or one (1) year after the claim arises, whichever is shorter, whether known or unknown when the claim arises or whether based on tort, contract, or any other legal theory. The laws of Massachusetts shall govern the validity, enforceability, and interpretation of this Agreement.

29. Assignment. Customer may not assign this Agreement without Company's prior written consent. Company may assign this Agreement to an affiliate without obtaining Customer's consent.

30. Entire Agreement. The parties intend this Agreement, together with any attachments or Riders (collectively the "Agreement) to be the final, complete and exclusive expression of their Agreement and the terms and conditions thereof. This Agreement supersedes all prior representations, understandings or agreements between the parties, written or oral, and shall constitute the sole terms and conditions of sale for all equipment and services. No waiver, change, or modification of any terms or conditions of this Agreement shall be binding on Company unless made in writing and signed by an Authorized Representative of Company.

31. Severability. If any provision of this Agreement is held by any court or other competent authority to be void or unenforceable in whole or in part, this Agreement will continue to be valid as to the other provisions and the remainder of the affected provision.

32. Legal Fees. Company shall be entitled to recover from the customer all reasonable legal fees incurred in connection with Company enforcing the terms and conditions of this Agreement.

33. License Information (Security System Customers): **AL** Alabama Electronic Security Board of Licensure 7956 Vaughn Road, PMB 392, Montgomery, Alabama 36116 (334) 264-9388: **AR** Regulated by: Arkansas Board of Private Investigators and Private Security Agencies, #1 State Police Plaza Drive, Little Rock 72209 (501)618-8600: **CA** Alarm company operators are licensed and regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Sacramento, CA, 95814. Upon completion of the installation of the alarm system, the alarm company shall thoroughly instruct the purchaser in the proper use of the alarm system. Failure by the licensee, without legal excuse, to substantially commence work within 20 days from the approximate date specified in the agreement when the work will begin is a violation of the Alarm Company Act.: **NY** Licensed by the N.Y.S. Department of the State: **TX** Texas Commission on Private Security, 5805 N. Lamar Blvd., Austin, TX 78752-4422, 512-424-7710.

IMPORTANT NOTICE TO CUSTOMER

In accepting this Proposal, Customer agrees to the terms and conditions contained herein including those on the following pages of this Agreement and any attachments or riders attached hereto that contain additional terms and conditions. It is understood that these terms and conditions shall prevail over any variation in terms and conditions on any purchase order or other document that the Customer may issue. Any changes in the system requested by the Customer after the execution of this Agreement shall be paid for by the Customer and such changes shall be authorized in writing. **ATTENTION IS DIRECTED TO THE LIMITATION OF LIABILITY, WARRANTY, INDEMNITY AND OTHER CONDITIONS ON THE FOLLOWING PAGES. This Proposal shall be void if not accepted in writing within thirty (30) days from the date of the Proposal.**

Offered By: SimplexGrinnell LP License#: 1200 E Hackberry Suite A Mcallen, TX 78501 Telephone: ~~(361) 289-6174~~ 239.2241 Representative: CHRIS MACDONALD	Accepted By: (Customer) Company: _____ Address: _____ Signature: _____ Title: _____ P.O.#: _____ Date: _____

OPTION 4

SimplexGrinnell

1200 E Hackberry
Suite A
Mcallen, TX 78501
(361) 289-6174
FAX: (361) 289-6458
www.simplexgrinnell.com

SimplexGrinnell Quotation

TO:
Hidalgo County Bldg & Grounds
Po Box 1356
Edinburg, TX 78540

Project: Precinct 2 - San Juan CRC
Customer Reference:
SimplexGrinnell Reference: 493401968
Date: 08/27/2008

SimplexGrinnell is pleased to offer for your consideration this quotation for the above project.

ATTENTION: Upon your request, we are providing you with line item pricing for all of the components of the system proposed. Please be aware, however, that ***the unit prices shown on this quotation are for reference only****. Due to variations in shipping costs and potential adjustments in system configuration, the line item prices shown may or may not reflect the exact unit costs ultimately invoiced and/or those quoted in the future. The total system price displayed on this quotation will, however, remain as stated unless an authorized change order is processed.*

QUANTITY	MODEL NUMBER	DESCRIPTION	EXTENDED PRICE
		New System	
		New Material List	
1	ADMNM19LCD	19IN LCD CLR MULTIMODE MONITOR	776.35
3	CPAKOTDN10-40N	CAM PACK:COLOR,TRUE DAY/NIGHT,	1,329.51
1	ADC1624UL	CAMERA POWER SUPPLY 16 OUTPUTS	120.61
1	ADEDVR016064	EDVR,16CNL,CDRW,640GB,NTSC/PAL	2,041.15
	DPSUB	HUB SUBCONTRACTING LABOR	6,900.86
		Coaxial Cabling & Connectors	
1	ADSPOT	OUTDR DOME PWR SUPPLY	134.60
1	ADACSNET	USB CCTV CNTRL MOD W/INSTL KIT	250.78
1	ADSDU822IHSN	SDU8-22X,NTSC,ID,HC,SMK	1,702.94
		Programming, Training, install	
		* TXMAS-5-84070 CONTRACT #	
		District Services - New System	
	PM LAB	PROJECT/CONSTRUCTION MGMT	203.80
		Sundry Items - New System	
	FREIGHT		199.06

Total net selling price, FOB shipping point, $13,659.66

Comments

Excludes sales tax. Excludes cutting, patching & painting. One Year On-site warranty included.

THIS QUOTATION AND ANY RESULTING CONTRACT SHALL BE SUBJECT TO THE GENERAL TERMS AND CONDITIONS ATTACHED HERETO.

SimplexGrinnell Quotation

Comments (continued)

Customer to provide power for DVR's, Indoor / Outdoor Cameras & LCD Monitors.

TERMS AND CONDITIONS

1. Payment. Payments shall be invoiced and due in accordance with the terms and conditions set forth above. Work performed on a time and material basis shall be at the then-prevailing Company rate for material, labor, and related items, in effect at the time supplied under this Agreement. Company shall invoice Customer for progress payments to one hundred (100%) percent based upon equipment delivered or stored, and services performed. Customers without established satisfactory credit shall make payments of cash in advance, upon delivery or as otherwise specified by Company. Where Customer establishes and maintains satisfactory credit, payments shall be due and payable thirty (30) days from date of invoice. Company reserves the right to revoke or modify Customer's credit at its sole discretion. The Customer's failure to make payment when due is a material breach of this Agreement.

If Customer fails to make any payment when due, in addition to any other rights and remedies available, Company shall have the right, at Company's sole discretion, to stop performing any Services and/or withhold further deliveries of materials, until the account is current. In the event payment is not received when due, Company may, at its discretion, assess late fees at the rate of 1.5% per month or the maximum rate allowed by law. Customer agrees to pay all costs of collection, including without limitation costs, fees, and attorneys' fees. Customer's failure to make payment when due is a material breach of this Agreement until the account is current.

2. Pricing. The pricing set forth in this Agreement is based on the number of devices to be installed and services to be performed as set forth in the Scope of Work ("Equipment" and "Services"). If the actual number of devices installed or services to be performed is greater than that set forth in the Scope of Work, the price will be increased accordingly. If this Agreement extends beyond one year, SimplexGrinnell may increase prices upon notice to the Customer. Customer agrees to pay all taxes, permits, and other charges, including but not limited to state and local sales and excise taxes, however designated, levied or based on the service charges pursuant to this Agreement.

3. Alarm Monitoring Services. Any reference to alarm monitoring services in this Agreement is included for pricing purposes only. Alarm monitoring services are performed pursuant to the terms and conditions of Company's standard alarm monitoring services agreement.

4. Code Compliance. Company does not undertake an obligation to inspect for compliance with laws or regulations unless specifically stated in the Scope of Work. Customer acknowledges that the Authority Having Jurisdiction (e.g. Fire Marshal) may establish additional requirements for compliance with local codes. Any additional services or equipment required will be provided at an additional cost to Customer.

5. Limitation Of Liability; Limitations Of Remedy. It is understood and agreed by the Customer that Company is not an insurer and that insurance coverage, if any, shall be obtained by the Customer and that amounts payable to company hereunder are based upon the value of the services and the scope of liability set forth in this Agreement and are unrelated to the value of the Customer's property and the property of others located on the premises. Customer agrees to look exclusively to the Customer's insurer to recover for injuries or damage in the event of any loss or injury and that Customer releases and waives all right of recovery against Company arising by way of subrogation. Company makes no guaranty or Warranty, including any implied warranty of merchantability or fitness for a particular purpose that equipment or services supplied by Company will detect or avert occurrences or the consequences therefrom that the equipment or service was designed to detect or avert.

It is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from failure on the part of Company to perform any of its obligations under this Agreement. Accordingly, Customer agrees that, Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or service was designed to detect or avert. Should Company be found liable for any loss, damage or injury arising from a failure of the equipment or service in any respect, Company's liability shall be limited to an amount equal to the Agreement price (as increased by the price for any additional work) or where the time and material payment term is selected, Customer's time and material payments to Company. Where this Agreement covers multiple sites, liability shall be limited to the amount of the payments allocable to the site where the incident occurred. Such sum shall be complete and exclusive. If Customer desires Company to assume greater liability, the parties shall amend this Agreement by attaching a rider setting forth the amount of additional liability and the additional amount payable by the Customer for the assumption by Company of such greater liability, provided however that such rider shall in no way be interpreted to hold Company as an insurer. IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY DAMAGE, LOSS, INJURY, OR ANY OTHER CLAIM ARISING FROM ANY SERVICING, ALTERATIONS, MODIFICATIONS, CHANGES, OR MOVEMENTS OF THE COVERED SYSTEM(S) OR ANY OF ITS COMPONENT PARTS BY THE CUSTOMER OR ANY THIRD PARTY. COMPANY SHALL NOT BE LIABLE FOR INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO DAMAGES ARISING FROM THE USE, LOSS OF THE USE, PERFORMANCE, OR FAILURE OF THE COVERED SYSTEM(S) TO PERFORM. The limitations of liability set forth in this Agreement shall inure to the benefit of all parents, subsidiaries and affiliates of company, whether direct or indirect, company's employees, agents, officers and directors.

6. General Provisions. Customer has selected the service level desired after considering and balancing various levels of protection afforded, and their related costs. Customer acknowledges and agrees that by this Agreement, Company, unless specifically stated, does not undertake any obligation to maintain or render Customer's system or equipment as Year 2000 compliant, which shall mean, capable of correctly handling the processing of calendar dates before or after December 31, 1999. All work to be performed by Company will be performed during normal working hours of normal working days (8:00 a.m. – 5:00 p.m., Monday through Friday, excluding Company holidays), as defined by Company, unless additional times are specifically described in this Agreement.

Company will perform the services described in the Scope of Work section ("Services") for one or more system(s) or equipment as described in the Scope of Work section or the listed attachments ("Covered System(s)").

The Customer shall promptly notify Company of any malfunction in the Covered System(s) which comes to Customer's attention. This Agreement assumes the Covered System(s) are in operational and maintainable condition as of the Agreement date. If, upon initial inspection, Company determines that repairs are recommended, repair charges will be submitted for approval prior to any work. Should such repair work be declined Company shall be relieved from any and all liability arising therefrom. UNLESS OTHERWISE SPECIFIED IN THIS AGREEMENT, ANY INSPECTION (AND, IF SPECIFIED, TESTING) PROVIDED UNDER THIS AGREEMENT DOES NOT INCLUDE ANY MAINTENANCE, REPAIRS, ALTERATIONS, REPLACEMENT OF PARTS, OR ANY FIELD ADJUSTMENTS WHATSOEVER, NOR DOES IT INCLUDE THE CORRECTION OF ANY DEFICIENCIES IDENTIFIED BY COMPANY TO CUSTOMER. COMPANY SHALL NOT BE RESPONSIBLE FOR EQUIPMENT FAILURE OCCURRING WHILE COMPANY IS IN THE PROCESS OF FOLLOWING ITS INSPECTION TECHNIQUES, WHERE THE FAILURE ALSO RESULTS FROM THE AGE OR OBSOLESCENCE OF THE ITEM OR DUE TO NORMAL WEAR AND TEAR. THIS AGREEMENT DOES NOT COVER SYSTEMS, EQUIPMENT, COMPONENTS OR PARTS THAT ARE BELOW GRADE, BEHIND WALLS OR OTHER OBSTRUCTIONS OR EXTERIOR TO THE BUILDING, ELECTRICAL WIRING, AND PIPING.

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- supply required schematics and drawings unless they are to be supplied by Company in accordance with this Agreement;
- Provide a safe work environment, in the event of an emergency or Covered System(s) failure, take reasonable safety precautions to protect against personal injury, death, and property damage, continue such measures until the Covered System(s) are operational, and notify Company as soon as possible under the circumstances.
- Provide Company access to any system(s) to be serviced,
- Comply with all laws, codes, and regulations pertaining to the equipment and/or services provided under this agreement.

8. Excavation. In the event the Work includes excavation, Customer shall pay, as an extra to the contract price, the cost of any additional work performed by Company dues to water, quicksand, rock or other unforeseen condition or obstruction encountered or shoring required.

9. Structure and Site Conditions. While employees of Company will exercise reasonable care in this respect, Company shall be under not responsibility for loss or damage due to the character, condition or use of foundations, walls, or other structures not erected by It or resulting from the excavation in proximity thereto, or for damage resulting from concealed piping, wiring, fixtures, or other equipment or condition of water pressure. All shoring or protection of foundation, walls or other structures subject to being disturbed by any excavation required hereunder shall be the responsibility of Customer. Customer shall have all things in readiness for installation including, without limitation, structure to support the sprinkler system and related equipment (including tanks), other materials, floor or suitable working base, connections and facilities for erection at the time the materials are delivered. In the event Customer fails to have all things in readiness at the time scheduled for receipt of materials, Customer shall reimburse Company for all expenses caused by such failure. Failure to make areas available to Company during performance in accordance with schedules that are the basis for Company's proposal shall be considered a failure to have things in readiness in accordance with the terms of this Agreement.

10. Confined Space. If access to confined space by Company is required for the performance of Services, Services shall be scheduled and performed in accordance with Company's then-current hourly rate.

11. Hazardous Materials. Customer represents that, except to the extent that Company has been given written notice of the following hazards prior to the execution of this Agreement, to the best of Customer's knowledge there is no:

- "permit confined space," as defined by OSHA,
- risk of infectious disease,
- need for air monitoring, respiratory protection, or other medical risk,
- asbestos, asbestos-containing material, formaldehyde or other potentially toxic or otherwise hazardous material contained in or on the surface of the floors, walls, ceilings, insulation or other structural components of the area of any building where work is required to be performed under this Agreement.

All of the above are hereinafter referred to as "Hazardous Conditions".

Company shall have the right to rely on the representations listed above. If hazardous conditions are encountered by Company during the course of Company's work, the discovery of such materials shall constitute an event beyond Company's control and Company shall have no obligation to further perform in the area where the hazardous conditions exist until the area has been made safe by Customer as certified in writing by an independent testing agency, and Customer shall pay disruption expenses and re-mobilization expenses as determined by Company.

This Agreement does not provide for the cost of capture, containment or disposal of any hazardous waste materials, or hazardous materials, encountered in any of the Covered System(s) and/or during performance of the Services. Said materials shall at all times remain the responsibility and property of Customer. Company shall not be responsible for the testing, removal or disposal of such hazardous materials.

12. OSHA Compliance. Customer shall indemnify and hold Company harmless from and against any and all claims, demands and/or damages arising in whole or in part from the enforcement of the Occupational Safety Health Act (and any amendments or changes thereto) unless said claims, demands or damages are a direct result of causes within the exclusive control of Company.

13. Interferences. Customer shall be responsible to coordinate the work of other trades (including but not limited to ducting, piping, and electrical) and for and additional costs incurred by Company arising out of interferences to Company's work caused by other trades.

14. Modifications and Substitutions. Company reserves the right to modify materials, including substituting materials of later design, providing that such modifications or substitutions will not materially affect the performance of the Covered System(s).

15. Changes, Alterations, Additions. Changes, alterations and additions to the Scope of Work, plans, specifications or construction schedule shall be invalid unless approved in writing by Company. Should changes be approved by Company, that increase or decrease the cost of the work to Company, the parties shall agree, in writing, to the change in price prior to performance of aid work. However, if no agreement is reached prior to the time for performance of said work, and Company elects to perform said work so as to avoid delays, then Company's estimate as to the value of said work shall be deemed accepted by Customer. In addition, Customer shall pay for all extra work requested by Customer or made necessary because of incompleteness or inaccuracy of plans or other information submitted by Customer with respect to the location, type of occupancy, or other details of the work to be performed. In the event the layout of Customer's facilities has been altered, or is altered by Customer prior to the completion of the Work, Customer shall advise Company, and prices, delivery and completion dates shall be changed by Company as may be required.

16. Commodities Availability. Company shall not be responsible for failure to provide services, deliver products, or otherwise perform work required by this Agreement due to lack of available steel products or products made from plastics or other commodities. 1) In the event Company is unable, after reasonable commercial efforts, to acquire and provide steel products, or products made from plastics or other commodities, if required to perform work required by this Agreement, Customer hereby agrees that Company may terminate the Agreement, or the relevant portion of the Agreement, at no additional cost and without penalty. Customer agrees to pay Company in full for all work performed up to the time of any such termination. 2) If Company is able to obtain the steel products or products made from plastics or other commodities, but the price of any of the products has risen by more than 10% from the date of the bid, proposal or date Company executed this Agreement, whichever occurred first, then Company may pass through that increase through a reasonable price increase to reflect increased cost of materials.

17. Project Claims. Any claim of failure to perform against Company arising hereunder shall be deemed waived unless received by Company, in writing specifically setting forth the basis for such claim, within ten (10) days after such claims arises.

18. Backcharges. No charges shall be levied against the Seller unless seventy-two (72) hours prior written notice is given to Company to correct any alleged deficiencies which are alleged to necessitate such charges and unless such alleged deficiencies are solely and directly caused by Company.

19. System Equipment. The purchase of equipment or peripheral devices (including but not limited to smoke detectors, passive infrared detectors, card readers, sprinkler system components, extinguishers and hoses) from Company shall be subject to the terms and conditions of this Agreement. If, in Company's sole judgment, any peripheral device or other system equipment, which is attached to the Covered System(s), whether provided by Company or a third party, interferes with the proper operation of the Covered System(s), Customer shall remove or replace such device or equipment promptly upon notice from Company. Failure of Customer to remove or replace the device shall constitute a material breach of this Agreement. If Customer adds any third party device or equipment to the Covered System(s), Company shall not be responsible for any damage to or failure of the Covered System(s) caused in whole or in part by such device or equipment.

20. Reports. Where inspection and/or test services are selected, such inspection and/or test shall be completed on Company's then current Report form, which shall be given to Customer, and, where applicable, Company may submit a copy thereof to the local authority having jurisdiction. The Report and recommendations by Company are only advisory in nature and are intended to assist Customer in reducing the risk of loss to property by indicating obvious defects or impairments noted to the system and equipment inspected and/or tested. They are not intended to imply that no other defects or hazards exist or that all aspects of the Covered System(s), equipment, and components are under control at the time of inspection. Final responsibility for the condition and operation of the Covered System(s) and equipment and components lies with Customer.

21. Limited Warranty. Subject to the limitations below, Company warrants any equipment (as distinguished from the Software) installed pursuant to this Agreement to be free from defects in material and workmanship under normal use for a period of one (1) year from the date of first beneficial us or all or any part of the Covered System(s) or 18 months after Equipment shipments, whichever is earlier, provided however, that Company's soles liability, and Customer's sole remedy, under this limited warranty shall be limited to the repair or replacement of the Equipment or any

part thereof, which Company determines is defective, at Company's sole option and subject to the availability of service personnel and parts, as determined by Company. Company warrants expendable items, including, but not limited to, video and print heads, television camera tubes, video monitor displays tubes, batteries and certain other products in accordance with the applicable manufacturers warranty. Company does not warrant devices designed to fail in protecting the System, such as, but not limited to, fuses and circuit breakers.

Company warrants that any Company software described in this Agreement, as well as software contained in or sold as part of any Equipment described in this Agreement, will reasonably conform to its published specifications in effect at the time of delivery and for ninety (90) days after delivery. However, Customer agrees and acknowledges that the software may have inherent defects because of its complexity. Company's sole obligation with respect to software, and Customer's sole remedy, shall be to make available published modifications, designed to correct inherent defects, which become available during the warranty period.

If Repair Services are included in this Agreement, Company warrants that its workmanship and material for repairs made pursuant to this Agreement will be free from defects for a period of ninety (90) days from the date of furnishing.

EXCEPT AS EXPRESSLY SET FORTH HEREIN, COMPANY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE SERVICES PERFORMED OR THE PRODUCTS, SYSTEMS OR EQUIPMENT, IF ANY, SUPPORTED HEREUNDER. COMPANY MAKES NO WARRANTY OR REPRESENTATION, AND UNDERTAKES NO OBLIGATION TO ENSURE BY THE SERVICES PERFORMED UNDER THIS AGREEMENT, THAT COMPANY'S PRODUCTS OR THE SYSTEMS OR EQUIPMENT OF THE CUSTOMER WILL CORRECTLY HANDLE THE PROCESSING OF CALENDAR DATES BEFORE OR AFTER DECEMBER 31, 1999.

Warranty service will be performed during Company's normal working hours. If Customer requests warranty service at other than normal working hours, service will be performed at Company's then current rates for after ours services. All repairs or adjustments that are or may become necessary shall be performed by and authorized representative of Company. Any repairs, adjustments or interconnections performed by Customer or any third party shall void all warranties.

22. Indemnity. Customer agrees to indemnify, hold harmless and defend Company against any and all losses, damages, costs, including expert fees and costs, and expenses including reasonable defense costs, arising from any and all third party claims for personal injury, death, property damage or economic loss, including specifically any damages resulting from the exposure of workers to Hazardous Conditions whether or not Customer pre-notifies Company of the existence of said hazardous conditions, arising in any way from any act or omission of Customer or Company relating in any way to this Agreement, including but not limited to the Services under this Agreement, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence), strict liability or otherwise. Company reserves the right to select counsel to represent it in any such action.

23. Insurance. Customer shall name Company, its officers, employees, agents, subcontractors, suppliers, and representatives as additional insureds on Customer's general liability and auto liability policies.

24. Termination. Any termination under the terms of this Agreement shall be made in writing. In the event Customer terminates this Agreement prior to completion for any reason not arising solely from Company's performance or failure to perform, Customer understands and agrees that Company will incur costs of administration and preparation that are difficult to estimate or determine. Accordingly, should Customer terminate this Agreement as described above, Customer agrees to pay all charges incurred for products and equipment installed and services performed, and in addition pay an amount equal to twenty (20%) percent of the price of products and equipment not yet delivered and Services not yet performed, return all products and equipment delivered and pay a restocking fee of twenty (20%) percent the price of products or equipment returned.

Company may terminate this Agreement immediately at its sole discretion upon the occurrence of any Event of Default as hereinafter defined. Company may also terminate this Agreement at its sole discretion upon notice to Customer if Company's performance of its obligations under this Agreement becomes impracticable due to obsolescence of equipment at Customer's premises or unavailability of parts.

25. Default. An Event of Default shall be 1) failure of the Customer to pay any amount within ten (10) days after the amount is due and payable, 2) abuse of the System or the Equipment, 3) dissolution, termination, discontinuance, insolvency or business failure of Customer. Upon the occurrence of an Event of Default, Company may pursue one or more of the following remedies, 1) discontinue furnishing Services, 2) by written notice to Customer declare the balance of unpaid amounts due and to become due under the this Agreement to be immediately due and payable, provided that all past due amounts shall bear interest at the rate of 1 ½% per month (18% per year) or the highest amount permitted by law, 3) receive immediate possession of any equipment for which Customer has not paid. 4) proceed at law or equity to enforce performance by Customer or recover damages for breach of this Agreement, and 5) recover all costs and expenses, including without limitation reasonable attorneys' fees, in connection with enforcing or attempting to enforce this Agreement.

26. Exclusions. Unless expressly included in the Scope of Work, this Agreement expressly excludes, without limitation, testing inspection and repair of duct detectors, beam detectors, and UV/IR equipment; provision of fire watches; clearing of ice blockage; draining of improperly pitched piping; replacement of batteries; recharging of chemical suppression systems; reloading of, upgrading, and maintaining computer software; system upgrades and the replacement of obsolete systems, equipment, components or parts; making repairs or replacements necessitated by reason of negligence or misuse of components or equipment or changes to Customer's premises, vandalism, corrosion (including but not limited to micro-bacterially induced corrosion ("MIC")), power failure, current fluctuation, failure due to non-Company installation, lightning, electrical storm, or other severe weather, water, accident, fire, acts of God or any other cause external to the Covered System(s). Repair Services provided pursuant to this Agreement do not cover and specifically excludes system upgrades and the replacement of obsolete systems, equipment, components or parts. All such services may be provided by Company at Company's sole discretion at an additional charge. If Emergency Services are expressly included in the scope of work section, the Agreement price does not include travel expenses.

27. Force Majeure; Delays. Company shall not be liable for any damage or penalty for delays or failure to perform work due to acts of God, acts or omissions of Customer, acts of civil or military authorities, Government regulations or priorities, fires, epidemics, quarantine, restrictions, war, riots, civil disobedience or unrest, strikes, delays in transportation, vehicle shortages, differences with workmen, inability to obtain necessary labor, material or manufacturing facilities, defaults of Company's subcontractors, failure or delay in furnishing compete information by Customer with respect to location or other details of work to be performed, impossibility or impracticability of performance or any other cause or causes beyond Company's control, whether or not similar to the foregoing. In the event of any delay caused as aforesaid, completion shall be extended for a period equal to any such delay, and this contract shall not be void or voidable as a result of the delay. In the event work is temporarily discontinued by any of the foregoing, all unpaid installments of the contract price, les an amount equal to the value of material and labor not furnished, shall be due and payable upon receipt of invoice by Customer.

28. One-Year Limitation On Actions; Choice Of Law. It is agreed that no suit, or cause of action or other proceeding shall be brought against either party more than one (1) year after the accrual of the cause of action or one (1) year after the claim arises, whichever is shorter, whether known or unknown when the claim arises or whether based on tort, contract, or any other legal theory. The laws of Massachusetts shall govern the validity, enforceability, and interpretation of this Agreement.

29. Assignment. Customer may not assign this Agreement without Company's prior written consent. Company may assign this Agreement to an affiliate without obtaining Customer's consent.

30. Entire Agreement. The parties intend this Agreement, together with any attachments or Riders (collectively the "Agreement) to be the final, complete and exclusive expression of their Agreement and the terms and conditions thereof. This Agreement supersedes all prior representations, understandings or agreements between the parties, written or oral, and shall constitute the sole terms and conditions of sale for all equipment and services. No waiver, change, or modification of any terms or conditions of this Agreement shall be binding on Company unless made in writing and signed by an Authorized Representative of Company.

31. Severability. If any provision of this Agreement is held by any court or other competent authority to be void or unenforceable in whole or in part, this Agreement will continue to be valid as to the other provisions and the remainder of the affected provision.

32. Legal Fees. Company shall be entitled to recover from the customer all reasonable legal fees incurred in connection with Company enforcing the terms and conditions of this Agreement.

33. License Information (Security System Customers): **AL** Alabama Electronic Security Board of Licensure 7956 Vaughn Road, PMB 392, Montgomery, Alabama 36116 (334) 264-9388: **AR** Regulated by: Arkansas Board of Private Investigators and Private Security Agencies, #1 State Police Plaza Drive, Little Rock 72209 (501)618-8600: **CA** Alarm company operators are licensed and regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Sacramento, CA, 95814. Upon completion of the installation of the alarm system, the alarm company shall thoroughly instruct the purchaser in the proper use of the alarm system. Failure by the licensee, without legal excuse, to substantially commence work within 20 days from the approximate date specified in the agreement when the work will begin is a violation of the Alarm Company Act.: **NY** Licensed by the N.Y.S. Department of the State: **TX** Texas Commission on Private Security, 5805 N. Lamar Blvd., Austin, TX 78752-4422, 512-424-7710.

IMPORTANT NOTICE TO CUSTOMER

In accepting this Proposal, Customer agrees to the terms and conditions contained herein including those on the following pages of this Agreement and any attachments or riders attached hereto that contain additional terms and conditions. It is understood that these terms and conditions shall prevail over any variation in terms and conditions on any purchase order or other document that the Customer may issue. Any changes in the system requested by the Customer after the execution of this Agreement shall be paid for by the Customer and such changes shall be authorized in writing. **ATTENTION IS DIRECTED TO THE LIMITATION OF LIABILITY, WARRANTY, INDEMNITY AND OTHER CONDITIONS ON THE FOLLOWING PAGES. This Proposal shall be void if not accepted in writing within thirty (30) days from the date of the Proposal.**

Offered By: SimplexGrinnell LP License#: 1200 E Hackberry Suite A Mcallen, TX 78501 Telephone: ~~(361) 289-6174~~ 239-2241 Representative: CHRIS MACDONALD	Accepted By: (Customer) Company: _____ Address: _____ Signature: _____ Title: _____ P.O.#: _____ Date: _____

OPTION 5

SimplexGrinnell

1200 E Hackberry
Suite A
Mcallen, TX 78501
(361) 289-6174
FAX: (361) 289-6458
www.simplexgrinnell.com

SimplexGrinnell Quotation

TO:
Hidalgo County Bldg & Grounds
Po Box 1356
Edinburg, TX 78540

Project: Precinct 2 - Anaya Road
Customer Reference:
SimplexGrinnell Reference: 493401968
Date: 08/27/2008

SimplexGrinnell is pleased to offer for your consideration this quotation for the above project.

ATTENTION: Upon your request, we are providing you with line item pricing for all of the components of the system proposed. Please be aware, however, that ***the unit prices shown on this quotation are for reference only****. Due to variations in shipping costs and potential adjustments in system configuration, the line item prices shown may or may not reflect the exact unit costs ultimately invoiced and/or those quoted in the future. The total system price displayed on this quotation will, however, remain as stated unless an authorized change order is processed.*

QUANTITY	MODEL NUMBER	DESCRIPTION	EXTENDED PRICE
		New System	
		New Material List	
1	ADMNM19LCD	19IN LCD CLR MULTIMODE MONITOR	776.24
4	CPAKOTDN10-40N	CAM PACK:COLOR,TRUE DAY/NIGHT,	1,772.40
1	ADC1624UL	CAMERA POWER SUPPLY 16 OUTPUTS	120.59
1	ADEDVR016064	EDVR,16CNL,CDRW,640GB,NTSC/PAL	2,040.86
	DPSUB	HUB SUBCONTRACTING LABOR	5,462.44
		Coaxial Cabling & Connectors	
		Programming, Training, install	
		* TXMAS-5-84070 CONTRACT #	
		District Services - New System	
	PM LAB	PROJECT/CONSTRUCTION MGMT	203.78
		Sundry Items - New System	
	FREIGHT		150.06

Total net selling price, FOB shipping point, $10,526.37

Comments

Excludes sales tax. Excludes cutting, patching & painting. One Year On-site warranty included.

THIS QUOTATION AND ANY RESULTING CONTRACT SHALL BE SUBJECT TO THE GENERAL TERMS AND CONDITIONS ATTACHED HERETO.
Fire, Security, Communications, Sales & Service
Offices & Representatives in Principal Cities throughout North America

SimplexGrinnell Quotation

Comments (continued)

Customer to provide power for DVR's, Indoor / Outdoor Cameras & LCD Monitors.

TERMS AND CONDITIONS

1. Payment. Payments shall be invoiced and due in accordance with the terms and conditions set forth above. Work performed on a time and material basis shall be at the then-prevailing Company rate for material, labor, and related items, in effect at the time supplied under this Agreement. Company shall invoice Customer for progress payments to one hundred (100%) percent based upon equipment delivered or stored, and services performed. Customers without established satisfactory credit shall make payments of cash in advance, upon delivery or as otherwise specified by Company. Where Customer establishes and maintains satisfactory credit, payments shall be due and payable thirty (30) days from date of invoice. Company reserves the right to revoke or modify Customer's credit at its sole discretion. The Customer's failure to make payment when due is a material breach of this Agreement.

If Customer fails to make any payment when due, in addition to any other rights and remedies available, Company shall have the right, at Company's sole discretion, to stop performing any Services and/or withhold further deliveries of materials, until the account is current. In the event payment is not received when due, Company may, at its discretion, assess late fees at the rate of 1.5% per month or the maximum rate allowed by law. Customer agrees to pay all costs of collection, including without limitation costs, fees, and attorneys' fees. Customer's failure to make payment when due is a material breach of this Agreement until the account is current.

2. Pricing. The pricing set forth in this Agreement is based on the number of devices to be installed and services to be performed as set forth in the Scope of Work ("Equipment" and "Services"). If the actual number of devices installed or services to be performed is greater than that set forth in the Scope of Work, the price will be increased accordingly. If this Agreement extends beyond one year, SimplexGrinnell may increase prices upon notice to the Customer. Customer agrees to pay all taxes, permits, and other charges, including but not limited to state and local sales and excise taxes, however designated, levied or based on the service charges pursuant to this Agreement.

3. Alarm Monitoring Services. Any reference to alarm monitoring services in this Agreement is included for pricing purposes only. Alarm monitoring services are performed pursuant to the terms and conditions of Company's standard alarm monitoring services agreement.

4. Code Compliance. Company does not undertake an obligation to inspect for compliance with laws or regulations unless specifically stated in the Scope of Work. Customer acknowledges that the Authority Having Jurisdiction (e.g. Fire Marshal) may establish additional requirements for compliance with local codes. Any additional services or equipment required will be provided at an additional cost to Customer.

5. Limitation Of Liability; Limitations Of Remedy. It is understood and agreed by the Customer that Company is not an insurer and that insurance coverage, if any, shall be obtained by the Customer and that amounts payable to company hereunder are based upon the value of the services and the scope of liability set forth in this Agreement and are unrelated to the value of the Customer's property and the property of others located on the premises. Customer agrees to look exclusively to the Customer's insurer to recover for injuries or damage in the event of any loss or injury and that Customer releases and waives all right of recovery against Company arising by way of subrogation. Company makes no guaranty or Warranty, including any implied warranty of merchantability or fitness for a particular purpose that equipment or services supplied by Company will detect or avert occurrences or the consequences therefrom that the equipment or service was designed to detect or avert.

It is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from failure on the part of Company to perform any of its obligations under this Agreement. Accordingly, Customer agrees that, Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or service was designed to detect or avert. Should Company be found liable for any loss, damage or injury arising from a failure of the equipment or service in any respect, Company's liability shall be limited to an amount equal to the Agreement price (as increased by the price for any additional work) or where the time and material payment term is selected, Customer's time and material payments to Company. Where this Agreement covers multiple sites, liability shall be limited to the amount of the payments allocable to the site where the incident occurred. Such sum shall be complete and exclusive. If Customer desires Company to assume greater liability, the parties shall amend this Agreement by attaching a rider setting forth the amount of additional liability and the additional amount payable by the Customer for the assumption by Company of such greater liability, provided however that such rider shall in no way be interpreted to hold Company as an insurer. IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY DAMAGE, LOSS, INJURY, OR ANY OTHER CLAIM ARISING FROM ANY SERVICING, ALTERATIONS, MODIFICATIONS, CHANGES, OR MOVEMENTS OF THE COVERED SYSTEM(S) OR ANY OF ITS COMPONENT PARTS BY THE CUSTOMER OR ANY THIRD PARTY. COMPANY SHALL NOT BE LIABLE FOR INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO DAMAGES ARISING FROM THE USE, LOSS OF THE USE, PERFORMANCE, OR FAILURE OF THE COVERED SYSTEM(S) TO PERFORM. The limitations of liability set forth in this Agreement shall inure to the benefit of all parents, subsidiaries and affiliates of company, whether direct or indirect, company's employees, agents, officers and directors.

6. General Provisions. Customer has selected the service level desired after considering and balancing various levels of protection afforded, and their related costs. Customer acknowledges and agrees that by this Agreement, Company, unless specifically stated, does not undertake any obligation to maintain or render Customer's system or equipment as Year 2000 compliant, which shall mean, capable of correctly handling the processing of calendar dates before or after December 31, 1999. All work to be performed by Company will be performed during normal working hours of normal working days (8:00 a.m. – 5:00 p.m., Monday through Friday, excluding Company holidays), as defined by Company, unless additional times are specifically described in this Agreement.

Company will perform the services described in the Scope of Work section ("Services") for one or more system(s) or equipment as described in the Scope of Work section or the listed attachments ("Covered System(s)").

The Customer shall promptly notify Company of any malfunction in the Covered System(s) which comes to Customer's attention. This Agreement assumes the Covered System(s) are in operational and maintainable condition as of the Agreement date. If, upon initial inspection, Company determines that repairs are recommended, repair charges will be submitted for approval prior to any work. Should such repair work be declined Company shall be relieved from any and all liability arising therefrom. UNLESS OTHERWISE SPECIFIED IN THIS AGREEMENT, ANY INSPECTION (AND, IF SPECIFIED, TESTING) PROVIDED UNDER THIS AGREEMENT DOES NOT INCLUDE ANY MAINTENANCE, REPAIRS, ALTERATIONS, REPLACEMENT OF PARTS, OR ANY FIELD ADJUSTMENTS WHATSOEVER, NOR DOES IT INCLUDE THE CORRECTION OF ANY DEFICIENCIES IDENTIFIED BY COMPANY TO CUSTOMER. COMPANY SHALL NOT BE RESPONSIBLE FOR EQUIPMENT FAILURE OCCURRING WHILE COMPANY IS IN THE PROCESS OF FOLLOWING ITS INSPECTION TECHNIQUES, WHERE THE FAILURE ALSO RESULTS FROM THE AGE OR OBSOLESCENCE OF THE ITEM OR DUE TO NORMAL WEAR AND TEAR. THIS AGREEMENT DOES NOT COVER SYSTEMS, EQUIPMENT, COMPONENTS OR PARTS THAT ARE BELOW GRADE, BEHIND WALLS OR OTHER OBSTRUCTIONS OR EXTERIOR TO THE BUILDING, ELECTRICAL WIRING, AND PIPING.

7. Customer Responsibilities. Customer shall furnish all necessary facilities for performance of its work by Company, adequate space for storage and handling of materials, light, water, heat, heat tracing, electrical service, local telephone, watchman, and crane and elevator service and necessary permits. Where wet pipe system is installed, Customer shall supply and maintain sufficient heat to prevent freezing of the system. Customer shall promptly notify Company of any malfunction in the Covered System(s) which comes to Customer's attention. This Agreement assumes any existing system(s) are in operational and maintainable condition as of the Agreement date. If, upon initial inspection, Company determines that repairs are recommended, repair charges will be submitted for approval prior to any work. Should such repair work be declined Company shall be relieved from any and all liability arising therefrom.

Customer shall further:

- supply required schematics and drawings unless they are to be supplied by Company in accordance with this Agreement;
- Provide a safe work environment, in the event of an emergency or Covered System(s) failure, take reasonable safety precautions to protect against personal injury, death, and property damage, continue such measures until the Covered System(s) are operational, and notify Company as soon as possible under the circumstances.
- Provide Company access to any system(s) to be serviced,
- Comply with all laws, codes, and regulations pertaining to the equipment and/or services provided under this agreement.

8. Excavation. In the event the Work includes excavation, Customer shall pay, as an extra to the contract price, the cost of any additional work performed by Company dues to water, quicksand, rock or other unforeseen condition or obstruction encountered or shoring required.

9. Structure and Site Conditions. While employees of Company will exercise reasonable care in this respect, Company shall be under not responsibility for loss or damage due to the character, condition or use of foundations, walls, or other structures not erected by It or resulting from the excavation in proximity thereto, or for damage resulting from concealed piping, wiring, fixtures, or other equipment or condition of water pressure. All shoring or protection of foundation, walls or other structures subject to being disturbed by any excavation required hereunder shall be the responsibility of Customer. Customer shall have all things in readiness for installation including, without limitation, structure to support the sprinkler system and related equipment (including tanks), other materials, floor or suitable working base, connections and facilities for erection at the time the materials are delivered. In the event Customer fails to have all things in readiness at the time scheduled for receipt of materials, Customer shall reimburse Company for all expenses caused by such failure. Failure to make areas available to Company during performance in accordance with schedules that are the basis for Company's proposal shall be considered a failure to have things in readiness in accordance with the terms of this Agreement.

10. Confined Space. If access to confined space by Company is required for the performance of Services, Services shall be scheduled and performed in accordance with Company's then-current hourly rate.

11. Hazardous Materials. Customer represents that, except to the extent that Company has been given written notice of the following hazards prior to the execution of this Agreement, to the best of Customer's knowledge there is no:

- "permit confined space," as defined by OSHA,
- risk of infectious disease,
- need for air monitoring, respiratory protection, or other medical risk,
- asbestos, asbestos-containing material, formaldehyde or other potentially toxic or otherwise hazardous material contained in or on the surface of the floors, walls, ceilings, insulation or other structural components of the area of any building where work is required to be performed under this Agreement.

All of the above are hereinafter referred to as "Hazardous Conditions".

Company shall have the right to rely on the representations listed above. If hazardous conditions are encountered by Company during the course of Company's work, the discovery of such materials shall constitute an event beyond Company's control and Company shall have no obligation to further perform in the area where the hazardous conditions exist until the area has been made safe by Customer as certified in writing by an independent testing agency, and Customer shall pay disruption expenses and re-mobilization expenses as determined by Company.

This Agreement does not provide for the cost of capture, containment or disposal of any hazardous waste materials, or hazardous materials, encountered in any of the Covered System(s) and/or during performance of the Services. Said materials shall at all times remain the responsibility and property of Customer. Company shall not be responsible for the testing, removal or disposal of such hazardous materials.

12. OSHA Compliance. Customer shall indemnify and hold Company harmless from and against any and all claims, demands and/or damages arising in whole or in part from the enforcement of the Occupational Safety Health Act (and any amendments or changes thereto) unless said claims, demands or damages are a direct result of causes within the exclusive control of Company.

13. Interferences. Customer shall be responsible to coordinate the work of other trades (including but not limited to ducting, piping, and electrical) and for and additional costs incurred by Company arising out of interferences to Company's work caused by other trades.

14. Modifications and Substitutions. Company reserves the right to modify materials, including substituting materials of later design, providing that such modifications or substitutions will not materially affect the performance of the Covered System(s).

15. Changes, Alterations, Additions. Changes, alterations and additions to the Scope of Work, plans, specifications or construction schedule shall be invalid unless approved in writing by Company. Should changes be approved by Company, that increase or decrease the cost of the work to Company, the parties shall agree, in writing, to the change in price prior to performance of aid work. However, if no agreement is reached prior to the time for performance of said work, and Company elects to perform said work so as to avoid delays, then Company's estimate as to the value of said work shall be deemed accepted by Customer. In addition, Customer shall pay for all extra work requested by Customer or made necessary because of incompleteness or inaccuracy of plans or other information submitted by Customer with respect to the location, type of occupancy, or other details of the work to be performed. In the event the layout of Customer's facilities has been altered, or is altered by Customer prior to the completion of the Work, Customer shall advise Company, and prices, delivery and completion dates shall be changed by Company as may be required.

16. Commodities Availability. Company shall not be responsible for failure to provide services, deliver products, or otherwise perform work required by this Agreement due to lack of available steel products or products made from plastics or other commodities. 1) In the event Company is unable, after reasonable commercial efforts, to acquire and provide steel products, or products made from plastics or other commodities, if required to perform work required by this Agreement, Customer hereby agrees that Company may terminate the Agreement, or the relevant portion of the Agreement, at no additional cost and without penalty. Customer agrees to pay Company in full for all work performed up to the time of any such termination. 2) If Company is able to obtain the steel products or products made from plastics or other commodities, but the price of any of the products has risen by more than 10% from the date of the bid, proposal or date Company executed this Agreement, whichever occurred first, then Company may pass through that increase through a reasonable price increase to reflect increased cost of materials.

17. Project Claims. Any claim of failure to perform against Company arising hereunder shall be deemed waived unless received by Company, in writing specifically setting forth the basis for such claim, within ten (10) days after such claims arises.

18. Backcharges. No charges shall be levied against the Seller unless seventy-two (72) hours prior written notice is given to Company to correct any alleged deficiencies which are alleged to necessitate such charges and unless such alleged deficiencies are solely and directly caused by Company.

19. System Equipment. The purchase of equipment or peripheral devices (including but not limited to smoke detectors, passive infrared detectors, card readers, sprinkler system components, extinguishers and hoses) from Company shall be subject to the terms and conditions of this Agreement. If, in Company's sole judgment, any peripheral device or other system equipment, which is attached to the Covered System(s), whether provided by Company or a third party, interferes with the proper operation of the Covered System(s), Customer shall remove or replace such device or equipment promptly upon notice from Company. Failure of Customer to remove or replace the device shall constitute a material breach of this Agreement. If Customer adds any third party device or equipment to the Covered System(s), Company shall not be responsible for any damage to or failure of the Covered System(s) caused in whole or in part by such device or equipment.

20. Reports. Where inspection and/or test services are selected, such inspection and/or test shall be completed on Company's then current Report form, which shall be given to Customer, and, where applicable, Company may submit a copy thereof to the local authority having jurisdiction. The Report and recommendations by Company are only advisory in nature and are intended to assist Customer in reducing the risk of loss to property by indicating obvious defects or impairments noted to the system and equipment inspected and/or tested. They are not intended to imply that no other defects or hazards exist or that all aspects of the Covered System(s), equipment, and components are under control at the time of inspection. Final responsibility for the condition and operation of the Covered System(s) and equipment and components lies with Customer.

21. Limited Warranty. Subject to the limitations below, Company warrants any equipment (as distinguished from the Software) installed pursuant to this Agreement to be free from defects in material and workmanship under normal use for a period of one (1) year from the date of first beneficial us or all or any part of the Covered System(s) or 18 months after Equipment shipments, whichever is earlier, provided however, that Company's soles liability, and Customer's sole remedy, under this limited warranty shall be limited to the repair or replacement of the Equipment or any

part thereof, which Company determines is defective, at Company's sole option and subject to the availability of service personnel and parts, as determined by Company. Company warrants expendable items, including, but not limited to, video and print heads, television camera tubes, video monitor displays tubes, batteries and certain other products in accordance with the applicable manufacturers warranty. Company does not warrant devices designed to fail in protecting the System, such as, but not limited to, fuses and circuit breakers.

Company warrants that any Company software described in this Agreement, as well as software contained in or sold as part of any Equipment described in this Agreement, will reasonably conform to its published specifications in effect at the time of delivery and for ninety (90) days after delivery. However, Customer agrees and acknowledges that the software may have inherent defects because of its complexity. Company's sole obligation with respect to software, and Customer's sole remedy, shall be to make available published modifications, designed to correct inherent defects, which become available during the warranty period.

If Repair Services are included in this Agreement, Company warrants that its workmanship and material for repairs made pursuant to this Agreement will be free from defects for a period of ninety (90) days from the date of furnishing.

EXCEPT AS EXPRESSLY SET FORTH HEREIN, COMPANY DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE SERVICES PERFORMED OR THE PRODUCTS, SYSTEMS OR EQUIPMENT, IF ANY, SUPPORTED HEREUNDER. COMPANY MAKES NO WARRANTY OR REPRESENTATION, AND UNDERTAKES NO OBLIGATION TO ENSURE BY THE SERVICES PERFORMED UNDER THIS AGREEMENT, THAT COMPANY'S PRODUCTS OR THE SYSTEMS OR EQUIPMENT OF THE CUSTOMER WILL CORRECTLY HANDLE THE PROCESSING OF CALENDAR DATES BEFORE OR AFTER DECEMBER 31, 1999.

Warranty service will be performed during Company's normal working hours. If Customer requests warranty service at other than normal working hours, service will be performed at Company's then current rates for after ours services. All repairs or adjustments that are or may become necessary shall be performed by and authorized representative of Company. Any repairs, adjustments or interconnections performed by Customer or any third party shall void all warranties.

22. Indemnity. Customer agrees to indemnify, hold harmless and defend Company against any and all losses, damages, costs, including expert fees and costs, and expenses including reasonable defense costs, arising from any and all third party claims for personal injury, death, property damage or economic loss, including specifically any damages resulting from the exposure of workers to Hazardous Conditions whether or not Customer pre-notifies Company of the existence of said hazardous conditions, arising in any way from any act or omission of Customer or Company relating in any way to this Agreement, including but not limited to the Services under this Agreement, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence), strict liability or otherwise. Company reserves the right to select counsel to represent it in any such action.

23. Insurance. Customer shall name Company, its officers, employees, agents, subcontractors, suppliers, and representatives as additional insureds on Customer's general liability and auto liability policies.

24. Termination. Any termination under the terms of this Agreement shall be made in writing. In the event Customer terminates this Agreement prior to completion for any reason not arising solely from Company's performance or failure to perform, Customer understands and agrees that Company will incur costs of administration and preparation that are difficult to estimate or determine. Accordingly, should Customer terminate this Agreement as described above, Customer agrees to pay all charges incurred for products and equipment installed and services performed, and in addition pay an amount equal to twenty (20%) percent of the price of products and equipment not yet delivered and Services not yet performed, return all products and equipment delivered and pay a restocking fee of twenty (20%) percent the price of products or equipment returned.

Company may terminate this Agreement immediately at its sole discretion upon the occurrence of any Event of Default as hereinafter defined. Company may also terminate this Agreement at its sole discretion upon notice to Customer if Company's performance of its obligations under this Agreement becomes impracticable due to obsolescence of equipment at Customer's premises or unavailability of parts.

25. Default. An Event of Default shall be 1) failure of the Customer to pay any amount within ten (10) days after the amount is due and payable, 2) abuse of the System or the Equipment, 3) dissolution, termination, discontinuance, insolvency or business failure of Customer. Upon the occurrence of an Event of Default, Company may pursue one or more of the following remedies, 1) discontinue furnishing Services, 2) by written notice to Customer declare the balance of unpaid amounts due and to become due under the this Agreement to be immediately due and payable, provided that all past due amounts shall bear interest at the rate of 1 ½% per month (18% per year) or the highest amount permitted by law, 3) receive immediate possession of any equipment for which Customer has not paid. 4) proceed at law or equity to enforce performance by Customer or recover damages for breach of this Agreement, and 5) recover all costs and expenses, including without limitation reasonable attorneys' fees, in connection with enforcing or attempting to enforce this Agreement.

26. Exclusions. Unless expressly included in the Scope of Work, this Agreement expressly excludes, without limitation, testing inspection and repair of duct detectors, beam detectors, and UV/IR equipment; provision of fire watches; clearing of ice blockage; draining of improperly pitched piping; replacement of batteries; recharging of chemical suppression systems; reloading of, upgrading, and maintaining computer software; system upgrades and the replacement of obsolete systems, equipment, components or parts; making repairs or replacements necessitated by reason of negligence or misuse of components or equipment or changes to Customer's premises, vandalism, corrosion (including but not limited to micro-bacterially induced corrosion ("MIC")), power failure, current fluctuation, failure due to non-Company installation, lightning, electrical storm, or other severe weather, water, accident, fire, acts of God or any other cause external to the Covered System(s). Repair Services provided pursuant to this Agreement do not cover and specifically excludes system upgrades and the replacement of obsolete systems, equipment, components or parts. All such services may be provided by Company at Company's sole discretion at an additional charge. If Emergency Services are expressly included in the scope of work section, the Agreement price does not include travel expenses.

27. Force Majeure; Delays. Company shall not be liable for any damage or penalty for delays or failure to perform work due to acts of God, acts or omissions of Customer, acts of civil or military authorities, Government regulations or priorities, fires, epidemics, quarantine, restrictions, war, riots, civil disobedience or unrest, strikes, delays in transportation, vehicle shortages, differences with workmen, inability to obtain necessary labor, material or manufacturing facilities, defaults of Company's subcontractors, failure or delay in furnishing compete information by Customer with respect to location or other details of work to be performed, impossibility or impracticability of performance or any other cause or causes beyond Company's control, whether or not similar to the foregoing. In the event of any delay caused as aforesaid, completion shall be extended for a period equal to any such delay, and this contract shall not be void or voidable as a result of the delay. In the event work is temporarily discontinued by any of the foregoing, all unpaid installments of the contract price, les an amount equal to the value of material and labor not furnished, shall be due and payable upon receipt of invoice by Customer.

28. One-Year Limitation On Actions; Choice Of Law. It is agreed that no suit, or cause of action or other proceeding shall be brought against either party more than one (1) year after the accrual of the cause of action or one (1) year after the claim arises, whichever is shorter, whether known or unknown when the claim arises or whether based on tort, contract, or any other legal theory. The laws of Massachusetts shall govern the validity, enforceability, and interpretation of this Agreement.

29. Assignment. Customer may not assign this Agreement without Company's prior written consent. Company may assign this Agreement to an affiliate without obtaining Customer's consent.

30. Entire Agreement. The parties intend this Agreement, together with any attachments or Riders (collectively the "Agreement) to be the final, complete and exclusive expression of their Agreement and the terms and conditions thereof. This Agreement supersedes all prior representations, understandings or agreements between the parties, written or oral, and shall constitute the sole terms and conditions of sale for all equipment and services. No waiver, change, or modification of any terms or conditions of this Agreement shall be binding on Company unless made in writing and signed by an Authorized Representative of Company.

31. Severability. If any provision of this Agreement is held by any court or other competent authority to be void or unenforceable in whole or in part, this Agreement will continue to be valid as to the other provisions and the remainder of the affected provision.

32. Legal Fees. Company shall be entitled to recover from the customer all reasonable legal fees incurred in connection with Company enforcing the terms and conditions of this Agreement.

33. License Information (Security System Customers): **AL** Alabama Electronic Security Board of Licensure 7956 Vaughn Road, PMB 392, Montgomery, Alabama 36116 (334) 264-9388: **AR** Regulated by: Arkansas Board of Private Investigators and Private Security Agencies, #1 State Police Plaza Drive, Little Rock 72209 (501)618-8600: **CA** Alarm company operators are licensed and regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Sacramento, CA, 95814. Upon completion of the installation of the alarm system, the alarm company shall thoroughly instruct the purchaser in the proper use of the alarm system. Failure by the licensee, without legal excuse, to substantially commence work within 20 days from the approximate date specified in the agreement when the work will begin is a violation of the Alarm Company Act.: **NY** Licensed by the N.Y.S. Department of the State: **TX** Texas Commission on Private Security, 5805 N. Lamar Blvd., Austin, TX 78752-4422, 512-424-7710.

IMPORTANT NOTICE TO CUSTOMER

In accepting this Proposal, Customer agrees to the terms and conditions contained herein including those on the following pages of this Agreement and any attachments or riders attached hereto that contain additional terms and conditions. It is understood that these terms and conditions shall prevail over any variation in terms and conditions on any purchase order or other document that the Customer may issue. Any changes in the system requested by the Customer after the execution of this Agreement shall be paid for by the Customer and such changes shall be authorized in writing. **ATTENTION IS DIRECTED TO THE LIMITATION OF LIABILITY, WARRANTY, INDEMNITY AND OTHER CONDITIONS ON THE FOLLOWING PAGES. This Proposal shall be void if not accepted in writing within thirty (30) days from the date of the Proposal.**

Offered By: SimplexGrinnell LP License#: 1200 E Hackberry Suite A Mcallen, TX 78501 Telephone: ~~(361) 280-6174~~ 239-2241 Representative: CHAD MACDONALD	Accepted By: (Customer) Company: _____ Address: _____ Signature: _____ Title: _____ P.O.#: _____ Date: _____

AI-11432

HIDALGO COUNTY PRECINCT NO.2
Surveillance Security System
Bid #2008-230
QUOTATION GRID

OPTIONS PER LOCATION	SIMPLEX GRINNELL TXMAS -5-84070	SUPERIOR ALARMS H-GAC Contract # SE05-08 and Buyboard Contract # 289-08
Option 1: Administration Office	$17,977.31	$18,805.14
Option 2: South Tower CRC Building	$14,578.43	$28,410.98
Option 3: El Gato Collection Site	$11,150.19	$14,143.22
Option 4: San Juan CRC Building	$13,659.66	$25,692.24
Option 5: Anaya Swimming Park	$10,526.37	$ 9893.94
Total Amount	**$67,891.96**	**$96,945.52**

Oscar Garza

From: Humberto Garza [humberto.garza@co.hidalgo.tx.us]
Sent: Friday, September 26, 2008 8:35 AM
To: oscarg.garza@co.hidalgo.tx.us
Subject: FW: Surveillance Cameras- Pct. 2
Attachments: Project chart cameras - Pct 2.doc

Please confirm that you received this transmittal.

Thank You.

Humberto Garza



Chief Administrator
Hidalgo County Pct. 2
301 E. State Street
Pharr, Tx 78577
(956) 787-1891 office ext. 2021
(956) 787-4683 facsimile
(956) 457-3496 mobile phone

From: Humberto Garza [mailto:humberto.garza@co.hidalgo.tx.us]
Sent: Thursday, September 25, 2008 4:40 PM
To: Oscar Garza (oscar.garza@co.hidalgo.tx.us); Marty Salazar (martha.salazar@co.hidalgo.tx.us)
Cc: 'yoli.cisneros@co.hidalgo.tx.us'; 'Roy.quintanilha@co.hidalgo.tx.us'; Sergio Cruz (sergio.cruz@co.hidalgo.tx.us)
Subject: Surveillance Cameras- Pct. 2

Mr. Garza,

Please note that I have reviewed and considered the vendor's bids/prices forwarded to our office by Moises Salazar from your department for the Surveillance Cameras Project for Hidalgo Precinct 2. We have selected Simplex Grimmel as the vendor satisfactory to provide this product/service.

I am enclosing a courtesy cost comparison for your file.

Please proceed accordingly.

Humberto Garza



Chief Administrator
Hidalgo County Pct. 2

301 E. State Street
Pharr, Tx 78577
(956) 787-1891 office ext. 2021
(956) 787-4683 facsimile
(956) 457-3496 mobile phone

RECEIVED
AUG 27 2008
By

HIDALGO COUNTY PRECINCT NO. 2
PURCHASE OF SURVEILLANCE SECURITY CAMERAS SYSTEMS

PROJECT No. 2008-230-08-27-MSS

REQUEST FOR PROPOSAL
THRU BUY BOARD, TCPN, H-GAC, AND/OR TX-MAS CONTRACT PRICING

-REQUIREMENTS, SPECIFICATIONS, TERMS AND CONDITIONS:

1. SCOPE OF WORK: Hidalgo County is herein **requesting a Proposal thru Buy Board, TCPN, H-GAC, AND/OR TX-MAS pricing** for: "PURCHASE OF SURVEILLANCE SECURITY CAMERAS SYSTEMS" to be installed at herein listed sites in Hidalgo County Precinct No. 2, including but not limited to the following minimum requirements/scope of work:

   a. Security Cameras: Must be a digital system, vandalism proof, with 30 day recording capability. Monitoring will be done at the reception area in the Precinct No. 2 Offices and/or any other place accessed via WEB online connection by designated personnel.

   b. Permits: Obtain any/all construction permits if required.

   c. Proposal should provide different options including a TURN KEY solution to include: equipment, labor, setup, installation, maintenance and training.

   d. Service and Maintenance: Proposal should include services and maintenance fees.

   e. Warranty: Labor and equipment warranties must be expressed in the proposal.

2. Insurance Requirements: The vendor should provide proof of insurance as per County Requirements –Attached Exhibit "C".

3. CIQ Questionnaire: Attached conflict of Interest (Exhibit D) must be filed and recorded at County Clerks Office.

4. Equipment: Vendor warrants that they own or have access to all required equipment and instrumentation required for work performed under this proposal.

5. Certification Regarding Debarment: Attached Certification must be submitted with proposal.

6. Sites and Sites Visit:
   - Administration Office
   - South Tower CRC
   - El Gato Collection Site
   - San Juan CRC
   - Anaya Swimming Park

   Proposal should reflect details including number and type of cameras, and areas to be covered as discussed in the August 19, 2008 walk thru.

7. Payment: Purchase order must be in place before starting any project. Payment will be made within 30 days upon receipt of an invoice.

8. Proposed Price: Fees must detail the following for each of the sites, and a lump sum amount for the complete project cost:
   a. Equipment.
   b. Labor.
   c. Training.
   d. Support and Maintenance.

9. Schedule of Events: Proposal should include a schedule listing time frame (number of days) for completion of project.

10. Contract number: Proposal should include your Contract number with the institution or Co-op for which you are an awarded vendor. Pricing will be verified by Hidalgo County Purchasing Department.

ADDITIONAL INFORMATION

Written Proposals must be submitted by no later than 9:30 A.M. on Wednesday August 27, 2008.

Please submit via hand delivery or courier to 2802 S. Hwy. Business 281, Edinburg, TX 78539, or via postal mail to 2812 S. Hwy. Business 281, Edinburg, TX, or fax to 956-318-2629.

Hidalgo County reserves the right to seek purchases/services from other state awarded vendors or any other cooperative purchasing programs whenever it is in its best interest to do so.

All costs and expenses associated with the preparation and submission of (rfq's, bids, proposals and/or quotes) shall be the responsibility of the participant and no reimbursement for such charges or expenses shall be passed onto Hidalgo County.

Further information required for this project can be requested in writing to, Moises Salazar, Buyer II at Moises.salazar@co.hidalgo.tx.us

EXHIBIT "C"
Insurance Requirements

The Bidder awarded the contract shall furnish proof of insurance, which will also include any subcontractor that is subcontracted by the bidder in at least the following limits, to be in place prior to providing any services under this Contract and to continue at all times in force in effect during the term of this Contract:

1. A Five Hundred Thousand Dollar ($500,000.00) Comprehensive General Liability insurance policy providing additional coverage to all underlying liabilities of County.

2. Automobile liability insurance policy with limits of at least Three Hundred Thousand Dollars ($300,000.00) per person and Five Hundred Thousand Dollars ($500,000.00) per occurrence. Coverage should include injury to or death of persons and property damage claims with limits up to Five Hundred Thousand ($500,000.00) arising out of the services provided to County hereunder.

3. Uninsured/Underinsured motorist coverage in an amount equal to the bodily injury limits set forth immediately above;

4. Workers compensation insurance in amounts established by Texas law, unless the Bidder is specifically exempted from the Texas Workers Compensation Act, Texas Labor Code Chapter 401, et. seq.

Certificates of insurance naming County as an additional insured shall be submitted to County for approval prior to any services being performed by Contractor. Each policy of insurance required hereunder shall extend for a period equivalent to, or longer than the term of the Contract, and any insurer hereunder shall be required to give at least thirty (30) days written notice to the County prior to the cancellation of any such coverage on the termination date, or otherwise. This Contract shall be automatically suspended upon the cancellation, or other termination, of any required policy of insurance hereunder, and such suspension shall continue until evidence adequate replacement coverage is provided to County. If replacement coverage is not provided within thirty (30) days following suspension of the Contract, this Contract shall automatically terminate.

Insurance Requirement Acknowledgment

I, Alan Yoder, authorized representative for Superior Alarms, Company/Vendor,

hereby acknowledge receipt of the County's required insurance limits. Said requirements:

☐ will be acquired within 10 working days after notification from Purchasing Department of bid awarded by the Hidalgo County Commissioners' Court;

☐ will acquire additional amounts required to meet the County's requirements within 10 working days after notification from Purchasing Department of bid award by the Hidalgo County Commissioners' Court; currently carry the following:

Automobile Liability: $_____ General Liability: $

☑ have already been met, see attached copy of insurance certificate.

Alan Yoder
Authorized Representative

08-26-08
Date

Notice to Bidder:
A certificate of insurance for the required insurance limits shall be provided to the Purchasing Department's Contract Managers in order to qualify for award of bid and to execute a contract between your Company and the County

Failure to provide Certificates of Insurance to the Purchasing Department's Contract Managers will cause the bid award to be rescinded and re-awarded to next lowest bidder. Certificates of Insurance will be monitored and verified on a **quarterly basis** to ensure coverage policy is in place. It is the Company's obligation to maintain the appropriate insurance coverage throughout the term of the contract.

THIS FORM MUST ACCOMPANY BID PACKET

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 08/26/2008

PRODUCER (956)686-3888 FAX (956)682-5650
Shepard Insurance Agency
P O Box 4288
5801 N 10th #300
McAllen, TX 78502

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
Superior Alarms
P O Drawer 3097
Mcallen, TX 78502

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Hartford Casualty Insurance Company	
INSURER B: American Economy Ins Company	19690
INSURER C: Texas Mutual Insurance Company	0060
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 LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR [X] $5000 Deductible [X] Errors & Omision GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PRO-JECT [ ] LOC	65UENQD6324	03/05/2008	03/05/2009	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 100,000 $ 10,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
B		AUTOMOBILE LIABILITY [X] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS	02CE1837201	01/17/2008	01/17/2009	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1000000 $ $ $
		GARAGE LIABILITY [ ] ANY AUTO				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EA ACC AGG	$ $ $
		EXCESS/UMBRELLA LIABILITY [ ] OCCUR [ ] CLAIMS MADE [ ] DEDUCTIBLE [ ] RETENTION $				EACH OCCURRENCE AGGREGATE	$ $
C		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	TSF-0001134027	07/29/2008	07/29/2009	[X] WC STATU-TORY LIMITS [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
Project #2008-230-08-27-MSS

CERTIFICATE HOLDER

Hidalgo County Precinct #2
2818 S Hwy 281
Edinburg, TX 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 MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Kent Shepard/CL03

©ACORD CORPORATION 1988

PROJECT REQUIREMENTS ACKNOWLEDGMENT

This is to certify that I, Alan Yoder, possess all of the APPLICABLE:

1. Licenses: B04881.
2. Bonds: N/A.
3. Certificates: N/A.
4. Permits: N/A.
5. Other: N/A.

necessary to carry out the required project. Furthermore, I am providing copies of the required documentation so that, if my company is awarded this bid, I may be eligible to enter into a contract with Hidalgo County and proceed to complete the project in a timely manner.

* Any licenses, bonds, certificates, permits, etc. which are required must be presented as part of the bid packet in order to expedite the bid evaluation process. Failure to provide said documentation will result in the disqualification of your bid.

Alan Yoder
Authorized Signature

08-26-08
Date

Superior Alarms
Company

600 Ash Ave
Address

McAllen, Tx. 78501
City, State, Zip

Texas Department of Public Safety

Certificate of License

The Texas Private Security Bureau certifies that:

SUPERIOR ALARMS
B04881

Is Duly Licensed as

Security Contractor

Alarm Systems Company

Under the provisions of Chapter 1702 Texas Occupations Code, as amended
This License

EXPIRES: 3/31/2009

PSB-47(6/05)

Director, Tx Dept. of Public Safety

EXHIBIT "D"

CONFLICT OF INTEREST QUESTIONNAIRE — FORM CIQ

For vendor or other person doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. *See* Section 176.006, Local Government Code

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

OFFICE USE ONLY
Date Received

1 **Name of person who has a business relationship with local governmental entity.**

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.**

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 **Name of local government officer with whom filer has employment or business relationship.**

_____
Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

☐ Yes ☐ No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

☐ Yes ☐ No

D. Describe each employment or business relationship with the local government officer named in this section.

4

_____ _____
Signature of person doing business with the governmental entity — Date

Adopted 06/29/2007

PROPOSER'S AFFIDAVIT
Exhibit "E"

PROPOSER'S AFFIDAVIT OF NON-COLLUSION
NON-CONFILICT OF INTERST, AND ANTI-LOBBYING

STATE OF TEXAS
COUNTY OF HIDALGO

Affiant, Alan Yoder, being first duly sworn, deposes that:

(1) Affiant does hereby state neither the Proposer nor any of the Proposer's officers, partners, owners, agents, representatives, employees, or parties in interest, has in any way colluded, conspired, agreed, directly or indirectly with any person, firm, corporation, or other proposer, or potential proposer, to provide any money or other valuable consideration for assistance in procuring or attempting to procure a contract or fix the prices in the attached proposed or the proposal of any other proposer, and further states that no such money or other reward will be hereinafter paid.

(2) Affiant further states they have neither recommended or suggested to Hidalgo County or nay of its officials or employees, any of the terms or provisions set forth in their Request for Proposal and subsequent agreement, except at a meeting open to all interested proposers, of which proper notice was given.

(3) Affiant, further states their officers, employees, or agents have not, and will not attempt to lobby, directly or indirectly, the Hidalgo County Commissioner's Court between proposal submission date and award by the Hidalgo County County Commissioner's Court.

(4) Affiant further states no officer, or stockholder of the Proposer is a member of the staff, or related to any employee of the Hidalgo County except as noted herein below:

Signature/Title: Alan Yoder - President

Subscribed and sworn to before me this 27th day of April, 2008.

Notary Public

My commission expires: March 26, 2011, 2008.

COLIN B. ASHBURN
Notary Public
STATE OF TEXAS
My Comm. Exp. 03-26-2011

Certification
Regarding Debarment, Suspension and Ineligibility

As is required by the Federal Regulations Implementing Executive Order 12549, Debarment and Suspension, 45 CFR Part 76, Government-wide Debarment and Suspension, the applicant certifies, to the best of his or her knowledge and belief, that both it and its principals:

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency;

b. Have not within a three-year period preceding this bid proposal and/or application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

c. Are not presently indicted for or otherwise criminally or civilly charged by a government entity with commission of any of the offenses enumerated herein; and

d. Have not within a three-year period preceding this bid proposal and/or application had one or more public transactions terminated for cause or default.

Signature: Alan Yoder
Print Name: Alan Yoder
Title: President
Telephone Number: (956) 682-6005
Date: 08-26-08

If the bidder is unable to certify to all of the statements in this Certification, such bidder should attach an explanation to this proposal.

600 Ash Avenue- P.O. Drawer 3097
McAllen, TX 78501
State Lic. B4881 - Fire Lic. ACR-86318-816
Tel. (956) 682-6005 - Fax 213-1179

We send the police there in a hurry!

August 26, 2008

Hidalgo County Precinct No. 2
2802 South Hwy. 281
Edinburg, Texas 78539

Project No. 2008-230-08-27-MSS

Contract Pricing thru HGAC contract number SE05-08 and Texas BuyBoard contract number 289-08

ADMINISTRATION BUILDING OPTION 1

QTY	PART #	DESCRIPTION	EXTENDED
1	XIS 7500	SFXI 16 CHANNEL, 480/480 FPS 120G	$ 2,700.60
4	CP 250HDD	250G HARD DRIVE	$ 1,400.00
7	MD4DN22H39WD	DEVIEW WDR COLOR MINIDOME	$ 2,371.60
8	TK-C920U	JVC HIGH RESOLUTION CAMERA	$ 1,500.80
8	C70223DCPS	PENTAX LENS 2.8X12MM	$ 456.72
8	HO 605 HB	ENVIROMENTAL HOUSING HEATER/BLOWER	$ 167.44
8	HM-205	HOUSING MOUNT	$ 39.20
1	ALTV-2416ULX	POWER SUPPLY	$ 126.28
1	LCD-17	17" FLAT PANEL MONITOR	$ 285.00
1	UPS XL 750VA	UPS FOR DVR & CAMERA POWER SUPPLY	$ 600.00
1	UXBP24	BATTERY PACK	$ 1,035.00
4	18/2 POWER CABLE	18/2 POWER CABLE	$ 666.00
4	COAXLE RG6	COAXLE RG6	$ 1,104.00
30	BNC	CONNECTORS	$ 90.00
1	MISC	MISCELLANEOUS	$ 1,500.00
		Equipment Total:	$14,042.64
	Completion Time:	**Training and Labor:**	$ 4,762.50
	14 days	**System Total:**	**$18,805.14**

ADMINISTRATION BUILDING OPTION 1 WITH PTZ OPTION

QTY	PART #	DESCRIPTION	EXTENDED
1	XIS 7500	SFXI 16 CHANNEL, 480/480 FPS 120G	$ 2,700.60
4	CP 250HDD	250G HARD DRIVE	$ 1,400.00
1	KTA--H4-H1C	GE PTZ CAMERA	$ 1,470.56
1	KTA-20C	WALL ARM MOUNT	$ 59.36
1	KTP-24	GE POWER SUPPLY	$ 116.48
1	KTD-405	CONTROLLER	$ 764.96
5	MD4DN22H39WD	DEVIEW WDR COLOR MINIDOME	$ 1,694.00
8	TK-C920U	JVC HIGH RESOLUTION CAMERA	$ 1,500.80
8	C70223DCPS	PENTAX LENS 2.8X12MM	$ 456.72
8	HO 605 HB	ENVIROMENTAL HOUSING HEATER/BLOWER	$ 167.44
8	HM-205	HOUSING MOUNT	$ 39.20
1	ALTV-2416ULX	POWER SUPPLY	$ 126.28
1	LCD-17	17" FLAT PANEL MONITOR	$ 285.00
1	UPS XL 750VA	UPS FOR DVR & CAMERA POWER SUPPLY	$ 600.00
1	UXBP24	BATTERY PACK	$ 1,035.00
4	18/2 POWER CABLE	18/2 POWER CABLE	$ 666.00
4	COAXLE RG6	COAXLE RG6	$ 1,104.00
0.5	CAT-5	CABLE	$ 51.00
28	BNC	CONNECTORS	$ 84.00
1	MISC	MISCELLANEOUS	$ 1,500.00
		Equipment Total:	$15,821.40
	Completion Time:	**Training and Labor:**	$ 4,762.50
	14 days	**System Total:**	**$20,583.90**

SOUTH TOWER CRC OPTION 2

QTY	PART #	DESCRIPTION	EXTENDED
1	XIS 7500	**SFXI** 16 CHANNEL, 480/480 FPS 120G	$ 2,700.60
4	CP 250HDD	250G HARD DRIVE	$ 1,400.00
1	KTA--H4-H1C	GE PTZ CAMERA	$ 1,470.56
1	KTA-20C	WALL ARM MOUNT	$ 59.36
1	KTA-26	POLE MOUNT ADAPTER	$ 41.44
1	KTP-24	GE POWER SUPPLY	$ 116.48
1	KTD-405	CONTROLLER	$ 764.96
8	MD4DN22H39	DEVIEW COLOR MINIDOME	$ 1,915.20
5	TK-C920U	JVC HIGH RESOLUTION CAMERA	$ 938.00
5	C70223DCPS	PENTAX LENS 2.8X12MM	$ 285.45
5	HO 605 HB	ENVIROMENTAL HOUSING HEATER/BLOWER	$ 104.65
5	HM-205	HOUSING MOUNT	$ 24.50
1	ALTV-2416ULX	POWER SUPPLY	$ 126.28
1	LCD-17	17" FLAT PANEL MONITOR	$ 285.00
1	UPS XL 750VA	UPS FOR DVR & CAMERA POWER SUPPLY	$ 600.00
1	UXBP24	BATTERY PACK	$ 1,035.00
4	18/2 POWER CABLE	18/2 POWER CABLE	$ 666.00
4	COAXLE RG6	COAXLE RG6	$ 1,104.00
1	CAT-5	CABLE	$ 102.00
28	BNC	CONNECTORS	$ 84.00
250	MISC	MISCELLANEOUS	$ 9,375.00
		Equipment Total:	$23,198.48
	Completion Time:	**Training and Labor:**	$ 5,212.50
	14 days	**System Total:**	**$28,410.98**

EL GATO COLLECTION SITE OPTION 3

QTY	PART #	DESCRIPTION	EXTENDED
1	XIS 7500	**SFXI** 16 CHANNEL, 480/480 FPS 120G	$ 2,700.60
4	CP 250HDD	250G HARD DRIVE	$ 1,400.00
1	KTA--H4-H1C	GE PTZ CAMERA	$ 1,470.56
1	KTA-20C	WALL ARM MOUNT	$ 59.36
1	KTA-26	POLE MOUNT ADAPTER	$ 41.44
1	KTP-24	GE POWER SUPPLY	$ 116.48
1	KTD-405	CONTROLLER	$ 764.96
2	TK-C920U	JVC HIGH RESOLUTION CAMERA	$ 375.20
2	C70223DCPS	PENTAX LENS 2.8X12MM	$ 114.18
2	HO 605 HB	ENVIROMENTAL HOUSING HEATER/BLOWER	$ 41.86
2	HM-205	HOUSING MOUNT	$ 9.80
1	ALTV-2416ULX	POWER SUPPLY	$ 126.28
1	UPS XL 750VA	UPS FOR DVR & CAMERA POWER SUPPLY	$ 600.00
1	UXBP24	BATTERY PACK	$ 1,035.00
1	18/2 POWER CABLE	18/2 POWER CABLE	$ 166.50
1	COAXLE RG6	COAXLE RG6	$ 276.00
1	CAT-5	CABLE	$ 102.00
6	BNC	CONNECTORS	$ 18.00
1	MISC	MISCELLANEOUS	$ 2,250.00
		Equipment Total:	$11,668.22
	Completion Time:	**Training and Labor:**	$ 2,475.00
	14 days	**System Total:**	**$14,143.22**

SAN JUAN CRC OPTION 4

QTY	PART #	DESCRIPTION	EXTENDED
1	XIS 7500	**SFXI** 16 CHANNEL, 480/480 FPS 120G	$ 2,700.60
4	CP 250HDD	250G HARD DRIVE	$ 1,400.00
1	KTA--H4-H1C	GE PTZ CAMERA	$ 1,470.56
1	KTA-20C	WALL ARM MOUNT	$ 59.36
1	KTA-26	POLE MOUNT ADAPTER	$ 41.44
1	KTP-24	GE POWER SUPPLY	$ 116.48
1	KTD-405	CONTROLLER	$ 764.96
3	TK-C920U	JVC HIGH RESOLUTION CAMERA	$ 562.80
3	C70223DCPS	PENTAX LENS 2.8X12MM	$ 171.27
3	HO 605 HB	ENVIROMENTAL HOUSING HEATER/BLOWER	$ 62.79
3	HM-205	HOUSING MOUNT	$ 14.70
1	ALTV-2416ULX	POWER SUPPLY	$ 126.28
1	LCD-17	17" FLAT PANEL MONITOR	$ 285.00
1	UPS XL 750VA	UPS FOR DVR & CAMERA POWER SUPPLY	$ 600.00
1	UXBP24	BATTERY PACK	$ 1,035.00
4	18/2 POWER CABLE	18/2 POWER CABLE	$ 666.00
4	COAXLE RG6	COAXLE RG6	$ 1,104.00
1	CAT-5	CABLE	$ 102.00
28	BNC	CONNECTORS	$ 84.00
250	MISC	MISCELLANEOUS	$ 9,375.00
		Equipment Total:	$20,742.24
	Completion Time:	**Training and Labor:**	$ 4,950.00
	14 days	**System Total:**	**$25,692.24**

ANAYA SWIMMING PARK OPTION 5

QTY	PART #	DESCRIPTION	EXTENDED
1	XIS 7500	**SFXI** 16 CHANNEL, 480/480 FPS 120G	$ 2,700.60
4	CP 250HDD	250G HARD DRIVE	$ 1,400.00
3	TK-C920U	JVC HIGH RESOLUTION CAMERA	$ 562.80
3	C70223DCPS	PENTAX LENS 2.8X12MM	$ 171.27
3	HO 605 HB	ENVIROMENTAL HOUSING HEATER/BLOWER	$ 62.79
3	HM-205	HOUSING MOUNT	$ 14.70
1	ALTV-2416ULX	POWER SUPPLY	$ 126.28
1	LCD-17	17" FLAT PANEL MONITOR	$ 285.00
1	UPS XL 750VA	UPS FOR DVR & CAMERA POWER SUPPLY	$ 600.00
1	UXBP24	BATTERY PACK	$ 1,035.00
1	18/2 POWER CABLE	18/2 POWER CABLE	$ 166.50
1	COAXLE RG6	COAXLE RG6	$ 276.00
6	BNC	CONNECTORS	$ 18.00
25	MISC	MISCELLANEOUS	$ 937.50
		Equipment Total:	$ 8,356.44
	Completion Time:	**Training and Labor:**	$ 1,537.50
	14 days	**System Total:**	**$ 9,893.94**

ACCEPTANCE OF PROPOSAL

We agree to purchase the cable quoted above and agree to the terms listed below and authorize Superior Alarms to order the equipment on behalf of McAllen ISD. We also agree to a commercial sales agreement.

Payment Method: 50% down or P.O. Number; remaining balance due upon completion.

_____ _____

Authorization Date

Sincerely,
Ted Salinas
(956) 682-6005
ted@superioralarms.com

Administration Building



8/26/2008 18:20

Superior Alarms - Protection Plan Annual Expenditures

1st Year Total (Upon Substantial Completion of Installation)	Warranty Coverage
2nd Year Total	$ 2,806.87
3rd Year Total	$ 3,087.55
4th Year Total	$ 3,766.81
5th Year Total	$ 4,783.85
Years 1 through 5 Combined Total	***$ 14,445.09***

Listed below are a few ***Highlights*** of Superior Alarms' - ***System Protection Plan***

- ***Finalize*** your Security System Maintenance ***Budget years in advance***. Plans may be tailored for one, two, three, or four year periods and use guaranteed rates if locked in during the initial year, which significantly reduces the chances of budget overruns for many years.
- Receive a ***Single Invoice***. Annual billing reduces the amount of time spent reviewing per call invoices.

- Annual ***Preventative Maintenance*** inspections including software upgrades (with purchase accompanying SSA) and archiving of critical ***Access Control/Intrusion Alarm*** system data. Standard maintenance also includes cleaning, adjustment and repair of system components such as electrified hardware and contact points. This proactive approach identifies and rectifies potential problems in advance, before they result in equipment failure or unexpected repair costs. In turn, the inspections ensure budgetary goals can be maintained and the system continues to operate at its peak efficiency.

- Semi-Annual ***Preventative Maintenance*** inspections including software upgrades (with purchase of accompanying SSA) and archiving of critical ***CCTV/Digital Recording*** system data. Standard maintenance also includes cleaning, adjustment and repair of system components such as Pan/Tilt/Zoom cameras and refocusing or adjustment of auto iris lenses. This proactive approach of identifies and rectifies potential problems in advance, before they result in equipment failure or unexpected repair costs. In turn, the inspections ensure budgetary goals can be maintained and the system continues to operate at its peak efficiency.

- ***Preferential Treatment with Extended Hours - Emergency Service*** is available 24 hours a day, 365 days a year. This unprecedented commitment to service includes response by telephone within two (2) hours and if necessary on site within eight (8) hours. All this provided by a qualified technician with years of experience and training on the systems we support. In the event that emergency service during normal business hours is required, Superior Alarms will respond by telephone within two (2) hours and if necessary on site within four (4) hours. Service precedence is provided for service contract customers over per call users.

- ***Free Loaner or Replacement Equipment*** in the event that a critical system component cannot be repaired on site, Superior Alarms maintains an adequate stock of system components. Each service vehicle is maintained with a complete a stock of basic component equipment (cameras, monitors, card readers, video cards, power supplies, etc.) Major equipment components (control panels, video switcher cages, and video recorders) are maintained on site at Superior Alarms' office.

- ***Reduced Labor Prices*** for all exclusionary types of work including damage to equipment due to vandalism, lightning strikes, etc...for all services in addition to contract items, Superior Alarms offers significant reductions in labor and equipment rates. These rates are also available for small installations such as single card reader or camera installations.

Administration Building
w/ PTZ Option

8/26/2008 18:21

Superior Alarms - Protection Plan Annual Expenditures

1st Year Total (Upon Substantial Completion of Installation)	Warranty Coverage
2nd Year Total	$ 3,072.24
3rd Year Total	$ 3,379.46
4th Year Total	$ 4,122.94
5th Year Total	$ 5,236.14
Years 1 through 5 Combined Total	***$ 15,810.79***

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South Tower CRC



8/26/2008 18:22

Superior Alarms - Protection Plan Annual Expenditures

1st Year Total (Upon Substantial Completion of Installation)	Warranty Coverage
2nd Year Total	$ 4,240.45
3rd Year Total	$ 4,664.49
4th Year Total	$ 5,690.68
5th Year Total	$ 7,227.16
Years 1 through 5 Combined Total	***$ 21,822.79***

Listed below are a few ***Highlights*** of Superior Alarms' - ***System Protection Plan***

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- Semi-Annual ***Preventative Maintenance*** inspections including software upgrades (with purchase of accompanying SSA) and archiving of critical ***CCTV/Digital Recording*** system data. Standard maintenance also includes cleaning, adjustment and repair of system components such as Pan/Tilt/Zoom cameras and refocusing or adjustment of auto iris lenses. This proactive approach of identifies and rectifies potential problems in advance, before they result in equipment failure or unexpected repair costs. In turn, the inspections ensure budgetary goals can be maintained and the system continues to operate at its peak efficiency.

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EI 7870



8/26/2008 18:22

Superior Alarms - Protection Plan Annual Expenditures

	Warranty Coverage
1st Year Total (Upon Substantial Completion of Installation)	
2nd Year Total	$ 2,111.04
3rd Year Total	$ 2,322.15
4th Year Total	$ 2,833.02
5th Year Total	$ 3,597.94
Years 1 through 5 Combined Total	***$ 10,864.15***

Listed below are a few ***Highlights*** of Superior Alarms' - ***System Protection Plan***

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San Juan CRC

8/26/2008 18:22

Superior Alarms - Protection Plan Annual Expenditures

1st Year Total (Upon Substantial Completion of Installation)	Warranty Coverage
2nd Year Total	$ 3,834.78
3rd Year Total	$ 4,218.25
4th Year Total	$ 5,146.27
5th Year Total	$ 6,535.76
Years 1 through 5 Combined Total	***$ 19,735.06***

Listed below are a few ***Highlights*** of Superior Alarms' - ***System Protection Plan***

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Anaya Swimming Park



8/26/2008 18:22

Superior Alarms - Protection Plan Annual Expenditures

1st Year Total (Upon Substantial Completion of Installation)	Warranty Coverage
2nd Year Total	$ 1,476.72
3rd Year Total	$ 1,624.39
4th Year Total	$ 1,981.75
5th Year Total	$ 2,516.83
Years 1 through 5 Combined Total	***$ 7,599.68***

Listed below are a few ***Highlights*** of Superior Alarms' - ***System Protection Plan***

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- Receive a ***Single Invoice***. Annual billing reduces the amount of time spent reviewing per call invoices.

- Annual ***Preventative Maintenance*** inspections including software upgrades (with purchase accompanying SSA) and archiving of critical ***Access Control/Intrusion Alarm*** system data. Standard maintenance also includes cleaning, adjustment and repair of system components such as electrified hardware and contact points. This proactive approach identifies and rectifies potential problems in advance, before they result in equipment failure or unexpected repair costs. In turn, the inspections ensure budgetary goals can be maintained and the system continues to operate at its peak efficiency.

- Semi-Annual ***Preventative Maintenance*** inspections including software upgrades (with purchase of accompanying SSA) and archiving of critical ***CCTV/Digital Recording*** system data. Standard maintenance also includes cleaning, adjustment and repair of system components such as Pan/Tilt/Zoom cameras and refocusing or adjustment of auto iris lenses. This proactive approach of identifies and rectifies potential problems in advance, before they result in equipment failure or unexpected repair costs. In turn, the inspections ensure budgetary goals can be maintained and the system continues to operate at its peak efficiency.

- ***Preferential Treatment with Extended Hours - Emergency Service*** is available 24 hours a day, 365 days a year. This unprecedented commitment to service includes response by telephone within two (2) hours and if necessary on site within eight (8) hours. All this provided by a qualified technician with years of experience and training on the systems we support. In the event that emergency service during normal business hours is required, Superior Alarms will respond by telephone within two (2) hours and if necessary on site within four (4) hours. Service precedence is provided for service contract customers over per call users.

- ***Free Loaner or Replacement Equipment*** in the event that a critical system component cannot be repaired on site, Superior Alarms maintains an adequate stock of system components. Each service vehicle is maintained with a complete a stock of basic component equipment (cameras, monitors, card readers, video cards, power supplies, etc.) Major equipment components (control panels, video switcher cages, and video recorders) are maintained on site at Superior Alarms' office.

- ***Reduced Labor Prices*** for all exclusionary types of work including damage to equipment due to vandalism, lightning strikes, etc...for all services in addition to contract items, Superior Alarms offers significant reductions in labor and equipment rates. These rates are also available for small installations such as single card reader or camera installations.

AI-11368 **19.D.1.**

Requesting approval of invoice no. 4
CC REGULAR

Date: 09/30/2008
Submitted By: Rocio Villarreal, PURCHASING DEPT.
Submitted For: Rocio Villarreal
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Prct. 3

Information

CAPTION

Presentation for discussion, consideration, acceptance, and approval Payment No. 4 in the amount of $7,853.50, from Alcocer Garcia Associates Design Consulting, contracted architect for, "Meeting Hall/Pavilion for Precinct No. 3."

BACKGROUND

Attachment will be handed out in Comm. Court.

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1302-431-00-123-068-0-720
FUNDS AVAILABLE Y/N?: y **MATCHING FUNDS Y/N?:** n

BUDGETARY IMPACT:

PO 594477: Available $26,687.50

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 12:17 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 02:56 PM	APRV
3	Erika Reyna	Erika Reyna	09/25/2008 04:37 PM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 03:26 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 04:36 PM	APRV

Form Started By: Rocio Villarreal Started On: 09/24/2008 02:59 PM

Final Approval Date: 09/26/2008

AI-11314 **19.E.1.**

Pit Run Caliche Base - bid award - Pct 4

CC REGULAR

Date: 09/30/2008
Submitted By: Gricelda Villarreal, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Prct. 4

Information

CAPTION

Recommending bid award to multiple vendors (lowest bidders) meeting all specificaitions, requirements and/or terms and conditions and approval of contracts with an effective date of 11-18-08 for : RFB-"Pit Run Caliche Base", project. Precinct# 4, Bid No. 2008-214-09-10CGV.

BACKGROUND

On as Needed Basis
Roy's Hauling Services C-08-214-09-30
Frontera Materials Inc. C-08-214A-09-30

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1204-431-00-124-007-0-673/731
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Object Code 673 available balance as of 9/26/08 $ 64,226.21
Object Code 731 available balance as of 9/26/08 $268,308.85

Attachments

Link: memo-tab sheet
Link: Contract-Roy's
Link: Contract-Frontera

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 10:52 AM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 02:44 PM	APRV
3	Manuel Chapa	Manuel Chapa	09/26/2008 09:47 AM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 02:02 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 02:21 PM	APRV

Form Started By: Gricelda Villarreal Started On: 09/22/2008 04:18 PM

Final Approval Date: 09/26/2008

COUNTY of HIDALGO



EDINBURG, TEXAS 78539

MEMO

DATE: SEPTEMBER 09, 2008
TO: HIDALGO COUNTY PURCHASING DEPARTMENT
C/O CRIS VILLARREAL, BUYER
FROM: HIDALGO COUNTY PRECINCT #4
REF: BID NO.: 2008-214-09-10CGV- "PITRUN CALICHE BASE"
ACCT. #: 8-1204-431-00-124-007-0-673 / 731

HIDALGO COUNTY PCT. #4 IS HEREBY RECOMMENDING AWARD OF ABOVE MENTIONED BID TO MULTIPLE VENDORS MEETING SPECIFICATIONS **(FRONTERA MATERIAL & ROY'S HAULING SERVICE)**.

THE PRECINCT RECOMMENDATION IS BASED ON THE FACT THAT BOTH BIDS ARE AT **$2.00** A TON, PROXIMITY OF PRECINCT PROJECTS TO PIT SHALL DETERMINE WHICH PIT WILL BE UTILIZED.

SHOULD YOU HAVE ANY QUESTIONS, PLEASE FEEL FREE TO CONTACT MY OFFICE, THANK YOU.

CC: COUNTY FILES

RECEIVED
SEP 10 2008
By CVLC 10:06 AM

HIDALGO COUNTY PURCHASING DEPARTMENT
BID TABULATION SHEET

DEPARTMENT NAME: Hidalgo County Precinct No. 4

BID OPENING DATE: August 27, 2008 | **BID OPENING TIME: 9:30 A.M.**

DESCRIPTION OF BID: Pit Run Caliche Base for Pct. 4

BID NO: 2008-214-08-27CGV

BID # RFB#	NAME OF COMPANY	UNIT PRICE	TOTAL PRICE	BID BOND OR CHECK INCLUDE
#1	Frontera Materials	$2.00 per ton @ Pit 490		√
#2	Roy's Hauling Services	$2.00 per ton @ Big 5 Pit and San Manuel Pit		
#3				
#4				
#5				
#6				
#7				
#8				
#9				
#10				

EXHIBIT "B"

HIDALGO COUNTY PRECINCT No. 4
"PIT RUN CALICHE"
BID NO. 2008-214-08-27-CGV

BID PAGE

Each line item on Bid Page is required to be completed as instructed. Incomplete sections may be considered for probable cause of disqualification and/or non-compliance.

BID PRICE PER TON: $ 2.00

LOCATION OF PIT(S): BIG FIVE PIT: 4 miles N. of FM 1925 on Big Five Road
SAN MANUEL PIT: 3 miles W. of US 281 on FM 1017 to FM 3250, then 1 mile S. on FM 3250, pit located on West side.

Term: The term is for an initial period of one (1) year with the County's option to extend for an additional one (1) year under the same price, terms, and conditions. Prices must remain firm during the contract period.

BIDDER/COMPANY NAME: ROY'S HAULING SERVICE

ADDRESS: P.O. BOX 1896

CITY/STATE/ZIP CODE: EDINBURG, TEXAS 78540

PHONE NO: (956)383-2206 FAX NO.: (956)383-2569 CELLULAR NO.:

AUTHORIZED SIGNATURE: Roy Balderas

PRINTED NAME: ROY BALDERAS

TITLE: OWNER DATE: AUGUST 26, 2008

EXHIBIT "B"

HIDALGO COUNTY PRECINCT No. 4
"PIT RUN CALICHE"
BID NO. 2008-214-08-27-CGV

BID PAGE

Each line item on Bid Page is required to be completed as instructed. Incomplete sections may be considered for probable cause of disqualification and/or non-compliance.

BID PRICE PER TON: $ 2.00 F.O.B Pit (490 or Linn)

LOCATION OF PIT(S): FM 490 (4.5 miles W of US 281 ON FM 490 Linn (2.7 miles W of US 281 ON Miller Rd, then 1 mile N ON FM 32

Term: The term is for an initial period of one (1) year with the County's option to extend for an additional one (1) year under the same price, terms, and conditions. Prices must remain firm during the contract period.

BIDDER/COMPANY NAME: FRONTERA MATERIALS, INC.

ADDRESS: P.O. Box 1917

CITY/STATE/ZIP CODE: Weslaco TX 78599

PHONE NO: 956-968-0349 **FAX NO.:** 956-968-0609 **CELLULAR NO.:** 956-607-59

AUTHORIZED SIGNATURE: Barry M Ellinger

PRINTED NAME: Barry M Ellinger

TITLE: Materials Manager **DATE:** Aug 26, 2008

REQUIREMENTS AGREEMENT
C-08-214-09-30

THIS AGREEMENT (the "Agreement") is entered into effective as of **30th** of **September, 2008** by and between, **ROY'S HAULING SERVICES, a TEXAS CORPORATION,** ("Seller") and **Hidalgo County, Texas** ("Buyer").

WHEREAS, Buyer has solicited proposals for the supply of its requirements of Hidalgo County **"PIT RUN CALICHE BASE"** on AS NEEDED BASIS, as further described in Exhibit "A" which is attached hereto and incorporated herein by reference for all purposes (the "Products") for a period of one (1) year with the County's option to renew one (1) additional year based on the prior year's performance evaluation and contingent upon cost remaining unchanged and;

WHEREAS, Seller has submitted a proposal to supply Buyer's requirements; and

WHEREAS, Buyer has determined that Seller has submitted the lowest and best bid to meet Buyer's requirements for the Product.

NOW THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, all of the Products that Buyer may require for use by Buyer in **"PIT RUN CALICHE BASE"** in the areas of **HIDALGO COUNTY PRECINCT NO. 4** projects for a period of one year from **November 18, 2008** to **November 17, 2009,** with the County's option to renew one (1) additional year based on the prior year's performance evaluation and contingent upon cost remaining unchanged and it is agreed that the Products will meet the specifications set forth in Exhibit "A" hereto.

2. When Buyer determines that it needs a quantity of the Products to be delivered, it will, according to its Purchasing Policies, complete and submit to Seller a Purchase Order describing the type and quantity of the Products required. The Products are to be delivered by Buyer to the location in Hidalgo County specified by Buyer in its Purchase Order.

3. Buyer agrees to pay Seller for each Purchase Order based on the prices set out in Exhibit "B". Seller shall render invoices for each Purchase Order, and the invoices shall be paid by Buyer on or before the 30th day following receipt of the invoice.

4. General Provisions.

a. **Conflict with Applicable Law.** Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any present or future law,

ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

b. **No Waiver.** No waiver by Buyer of any breach of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

c. **Entire Agreement.** This Agreement contains the entire contract between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representations or agreements in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by Buyer and Seller, and not otherwise.

d. **Texas Law to Apply.** This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas. The parties hereby consent to personal jurisdiction in Hidalgo County, Texas.

e. **Notice.** Except as may be otherwise specifically provided in this Agreement, all notices, demands, requests or communications required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to Buyer:

Hidalgo County
Attention: County Judge
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

If to Seller:

Roy's Hauling Services
Attn: Roy Balderas, Sr, Owner
PO Box 1896
Edinburg, Texas 78540

Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the Unites States mail.

f. **Additional Documents.** The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

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

h. **Assignment.** This Agreement shall not be assignable.

i. **Headings.** The headings and captions contained in this Agreement are solely for convenient reference and shall not be deemed to affect the meaning or interpretation of any provision or paragraph hereof.

j. **Gender and Number.** All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate

k. **Authority to Execute.** The execution and performance of this Agreement by Buyer and Seller have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of Buyer and Seller in accordance with its terms.

l. **Commitment of Current Revenues Only**. In the event that, during any term hereof, the Commissioners Court does not appropriate sufficient funds to meet the obligations of Buyer under this Agreement, Buyer may terminate this Agreement upon ninety (90) days written notice to Seller. Buyer agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of Buyer pursuant to the provisions of Tex. Loc. Govt. Code Ann. § 271.903 (Vernon Supp. 1996).

m. **Termination:** This Agreement may be terminated by either party without cause upon thirty (30) days written notice.

l.. **Purchasing Ethics**. Seller represents and warrants it has not, during the process of being awarded this contract violated the following ethical standards of Buyer and, upon and after the execution of this Agreement, agrees to abide by the following ethical standards of Buyer:

(1) It shall be a breach of ethics to offer, give or agree to give any elected official, department head or employee, or former elected official, department head or employee, of Hidalgo County, or for any elected official, department head or employee or former elected official, department head or employee of Hidalgo County, to solicit, demand, accept or agree to accept from another

person, entity or organization, a gratuity or an officer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advise, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefor pending before any department or agency of Hidalgo County.

(2) It shall be a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for Hidalgo County, or any person associated therewith, as an inducement for the award of a subcontract or order.

EXECUTED effective as of the day and year first above written.

APPROVED BY COMMISSIONERS COURT ON, _____, 2008.

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

By: _____

Date: 9-19-08

HIDALGO COUNTY

By: _____
Juan D. Salinas, III, County Judge

Date: _____

ATTEST:

_____
Arturo Guajardo, Jr., County Clerk

Date: _____

Roy's Hauling Services

By: _____

Printed Name: _____

Title: _____

Date: _____

EXHIBIT "A"

HIDALGO COUNTY PRECINCT No. 4
"PIT RUN CALICHE"
BID NO. 2008-214-08-27-CGV

SPECIFICATIONS

1. Pit Run caliche base should conform to Texas Department of Transportation (TxDot), Standard Specifications for Construction of Highways, Streets and Bridges, 1995, Item 247, Type D material. The Physical and engineering properties of the material should meet the following requirements:

   THE MAXIMUM SIZE AGGREGATE ALLOWED IN THE BASE MATERIAL SHALL BE (2) TWO INCH AS DETERMINED BY GRADATION ANALYSIS USING SQUARE SIEVES.

   ATTERBERG LIMITS
   MAXIMUM LIQUID LIMIT.....40
   MAXIMUM PLASTICITY INDEX.....12

2. It is intended that the amount of "PIT RUN CALICHE BASE" needed by Hidalgo County Precinct No. 4 will be purchased on an "As Needed Basis". It shall be agreed & understood that Hidalgo County Precinct No. 4 will purchase no more material than is needed.

3. The contract will be in effect for a period of (1) one year with the County's option to extend for an additional one (1) year under the same price, terms, and conditions. Prices must remain firm during the contract period.

4. Hidalgo County reserves the right to continue this bid for an additional (60) sixty day "Grace Period" at the end of the contract term due to unforeseen delay of award for next contract term.

5. Bid price shall be per ton.

6. Hidalgo 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, including compliance to bid specifications. Location is an important factor in evaluation of the bids, due to transportation costs which must be taken into consideration if material is picked up at the plant site. Hidalgo County Precinct No. 4 reserves the right to hold the bids received for a period of (90) ninety days without taking action hereon.

7. Hidalgo County reserves the right to award to one or more bidder(s) whichever is in the best interest of the County.

8. The contract shall remain in effect until contract expires, delivery /completion of services ordered or terminated by either party with a (30) thirty day written notice prior to any cancellation. The successful bidder(s) must state therein the reasons for such cancellation. Hidalgo County reserves the right to award canceled contract to next lowest bidder as it deems to be in the best interest of the County.

9. Insurance Certificates as per "Exhibit C" must be submitted to the Purchasing Department prior to any services being performed by the awarded bidder(s).

10. When requested, samples shall be furnished free of expense to Hidalgo County.

11. Testing may be performed at the request of Hidalgo County anytime during the length of the contract through an independent testing laboratory.

12. Continuing non-performance of the bidder in terms of specifications shall be basis for the terminator of the contract by the County. The County shall not pay for work, equipment, or supplies which are unsatisfactory. Vendors will be given a reasonable opportunity before termination to correct the deficiencies.

13. In the event the material furnished does not meet all the above requirements (regardless of weather, test's acceptability, method of repair or other conditions), the County reserves the option to require the material supplier to replace or to reimburse the County for the unused portion of material found to be unsatisfactory.

14. **Awarded Bidder shall have at the Bidder's Pit Location (s) (On Site) an electronic or manual scale with a Minimum of 70 Ft. in length.**

15. It is expressly understood and agreed that in case Hidalgo County should need "Pit Run Caliche Base" not available within the time frame needed from the successful vendor during the term of this contract, Hidalgo County reserves the right to purchase these items from other sources other than the successful vendor and shall not be in violation of any terms or conditions of said contract. Further, Hidalgo County reserves the right to seek another vendor if, at any time, vendor's prices do not conform to public pricing.

Additional Information:

- Further information regarding this project can be addressed to Mr. Juan Manuel Carranza / Chief Administrator, Hidalgo County Precinct No. 4. Hidalgo County is also requesting that any and all questions, inquiries and clarifications regarding quotes, bids, proposal or statement of qualifications be addressed to Martha L. Salazar, CPPB, Purchasing Agent, at 2812 So. Business Hwy 281,Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

- All written inquiries will be accepted via facsimile no later than, Wednesday, August 20, 2008 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, August 22, 2008.

- 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.

- All applicable forms in this packet must be filled in its entirety and submitted with bid response. Incomplete sections may be considered for probable cause of disqualification and/or non-compliance.

Market Volatility and Unit Price Adjustments:

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

1. **Requesting Price Adjustment**: Upon written request of the Vendor to the County Purchasing Agent, the County may review evidence of prevailing industry-wide market conditions that warrant an adjustment in bid prices contained in the contract.

   A Vendor must tie any price change clause to an industry-wide or otherwise nationally recognized index, or some other form of verifiable document. Such written request must be accompanied by a certified copy of the supplier's advisory or notification to the vendor of the price changes.

   The Vendor must put the Purchasing Agent on the mailing lists for such publications so that the Purchasing Agent can monitor said changes. Such membership shall be at no cost to the County.

   The County Purchasing Agent retains the right to determine whether or not such proposed price changes are in the best interest of the County.

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

   The County may only grant a price increase if the evidence presented is deemed reliable. Should the County allow a price increase, the approved price change shall be honored for all orders received by the vendor or contractor after the effective date of such price change. Approved price changes are not applicable to orders already issued and in process at time of price change.

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

3). **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.

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

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

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 09/12/08

PRODUCER
VALMOR INSURANCE AGENCY
1303 N. 10th St., Suite 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.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: UNITRIN CO. MUTUAL INS.	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

INSURED
ROY'S HAULING SERVICE, INC.
P.O. BOX 1896
EDINBURG, TEXAS 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.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		GENERAL LIABILITY				EACH OCCURRENCE	$
		[ ] COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	$
		[ ] CLAIMS MADE [ ] OCCUR				MED EXP (Any one person)	$
						PERSONAL & ADV INJURY	$
						GENERAL AGGREGATE	$
		GEN'L AGGREGATE LIMIT APPLIES PER:				PRODUCTS - COMP/OP AGG	$
		[ ] POLICY [ ] PRO-JECT [ ] LOC					
A		AUTOMOBILE LIABILITY	FCNCCV2300075	08/16/08	08/16/09	COMBINED SINGLE LIMIT (Ea accident)	$ 1,000,010
		[ ] ANY AUTO					
		[ ] ALL OWNED AUTOS				BODILY INJURY (Per person)	$
		[X] SCHEDULED AUTOS					
		[X] HIRED AUTOS				BODILY INJURY (Per accident)	$
		[X] NON-OWNED AUTOS					
						PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		[ ] ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	$
		[ ] OCCUR [ ] CLAIMS MADE				AGGREGATE	$
							$
		[ ] DEDUCTIBLE					$
		[ ] RETENTION $					$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				[ ] WC STATUTORY LIMITS [ ] OTHER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$
						E.L. DISEASE - POLICY LIMIT	$
		OTHER					

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

1991 INTL #7044, 1985 INTL #3732, 1998 INTL #4857, 1999 INTL #6851
1999 MACK #1180, 2000 INTL #7950, 2000 INTL #7946, 2000 MACK #1349
2000 PETE #3178, 2000 PETE #3173, 2000 PETE #3206, 2000 PETE #3207

CERTIFICATE HOLDER

COUNTY OF HIDALGO
2802 S. BUSINESS HWY 281
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
Maribel Guerra

NLD

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Client#: 9117 ROYSHAU

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 09/12/08

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.

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

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: USF Insurance Company	25887
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 LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY	LGBGL72455	09/11/08	09/11/09		
		X COMMERCIAL GENERAL LIABILITY				EACH OCCURRENCE	$1,000,000
		CLAIMS MADE X OCCUR				DAMAGE TO RENTED PREMISES (Ea occurrence)	$100,000
		X BI/PD Ded:500				MED EXP (Any one person)	$5,000
						PERSONAL & ADV INJURY	$1,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER:				GENERAL AGGREGATE	$2,000,000
		POLICY PRO-JECT LOC				PRODUCTS - COMP/OP AGG	$
		AUTOMOBILE LIABILITY					
		ANY AUTO				COMBINED SINGLE LIMIT (Ea accident)	$
		ALL OWNED AUTOS				BODILY INJURY (Per person)	$
		SCHEDULED AUTOS				BODILY INJURY (Per accident)	$
		HIRED AUTOS				PROPERTY DAMAGE (Per accident)	$
		NON-OWNED AUTOS					
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	$
		OCCUR CLAIMS MADE				AGGREGATE	$
		DEDUCTIBLE					$
		RETENTION $					$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS / OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$
		OTHER				E.L. DISEASE - POLICY LIMIT	$

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

CERTIFICATE HOLDER

County of Hidalgo
2802 S Business Hwy 281
Edinburg, TX 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 P Davis

Client#: 9117

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 07/14/08

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

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

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

COVERAGES

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INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		GENERAL LIABILITY				EACH OCCURRENCE	$
		COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	$
		CLAIMS MADE ☐ OCCUR ☐				MED EXP (Any one person)	$
						PERSONAL & ADV INJURY	$
						GENERAL AGGREGATE	$
		GEN'L AGGREGATE LIMIT APPLIES PER:				PRODUCTS - COMP/OP AGG	$
		POLICY ☐ PRO-JECT ☐ LOC ☐					
		AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident)	$
		ANY AUTO				BODILY INJURY (Per person)	$
		ALL OWNED AUTOS				BODILY INJURY (Per accident)	$
		SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	$
		HIRED AUTOS					
		NON-OWNED AUTOS					
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	$
		OCCUR ☐ CLAIMS MADE ☐				AGGREGATE	$
							$
		DEDUCTIBLE					$
		RETENTION $					$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	TSF0001189521	04/02/08	04/02/09	X 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
						E.L. DISEASE - POLICY LIMIT	$500,000
		OTHER					

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

CERTIFICATE HOLDER

County of Hidalgo
2802 S Business Hwy 281
Edinburg, TX 78539

CANCELLATION

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AUTHORIZED REPRESENTATIVE
Brian E Davis

REQUIREMENTS AGREEMENT
C-08-214A-09-30

THIS AGREEMENT (the "Agreement") is entered into effective as of **30th of September, 2008** by and between, **FRONTERA MATERIALS INC., a TEXAS CORPORATION,** ("Seller") and **Hidalgo County, Texas** ("Buyer").

WHEREAS, Buyer has solicited proposals for the supply of its requirements of Hidalgo County **"PIT RUN CALICHE BASE"** on AS NEEDED BASIS, as further described in Exhibit "A" which is attached hereto and incorporated herein by reference for all purposes (the "Products") for a period of one (1) year with the County's option to renew one (1) additional year based on the prior year's performance evaluation and contingent upon cost remaining unchanged and;

WHEREAS, Seller has submitted a proposal to supply Buyer's requirements; and

WHEREAS, Buyer has determined that Seller has submitted the lowest and best bid to meet Buyer's requirements for the Product.

NOW THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, all of the Products that Buyer may require for use by Buyer in **"PIT RUN CALICHE BASE"** in the areas of **HIDALGO COUNTY PRECINCT NO. 4** projects for a period of one year from **November 18, 2008** to **November 17, 2009,** with the County's option to renew one (1) additional year based on the prior year's performance evaluation and contingent upon cost remaining unchanged and it is agreed that the Products will meet the specifications set forth in Exhibit "A" hereto.

2. When Buyer determines that it needs a quantity of the Products to be delivered, it will, according to its Purchasing Policies, complete and submit to Seller a Purchase Order describing the type and quantity of the Products required. The Products are to be delivered by Buyer to the location in Hidalgo County specified by Buyer in its Purchase Order.

3. Buyer agrees to pay Seller for each Purchase Order based on the prices set out in Exhibit "B". Seller shall render invoices for each Purchase Order, and the invoices shall be paid by Buyer on or before the 30th day following receipt of the invoice.

4. General Provisions.

a. **Conflict with Applicable Law.** Nothing in this Agreement shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Agreement and any present or future law,

ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists.

b. **No Waiver.** No waiver by Buyer of any breach of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

c. **Entire Agreement.** This Agreement contains the entire contract between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representations or agreements in connection with this Agreement not specifically set forth herein. This Agreement may be modified or amended only by agreement in writing executed by Buyer and Seller, and not otherwise.

d. **Texas Law to Apply.** This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo County, Texas. The parties hereby consent to personal jurisdiction in Hidalgo County, Texas.

e. **Notice.** Except as may be otherwise specifically provided in this Agreement, all notices, demands, requests or communications required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to Buyer:

Hidalgo County
Attention: County Judge
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

If to Seller:

Frontera Materials, Inc.
Attn: Barry M. Ehlinger
PO Box 1917
Weslaco, Texas 78599

Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the Unites States mail.

f. **Additional Documents.** The parties hereto covenant and agree that they

will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Agreement.

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

h. **Assignment.** This Agreement shall not be assignable.

i. **Headings.** The headings and captions contained in this Agreement are solely for convenient reference and shall not be deemed to affect the meaning or interpretation of any provision or paragraph hereof.

j. **Gender and Number.** All pronouns used in this Agreement shall include the other gender, whether used in the masculine, feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate

k. **Authority to Execute.** The execution and performance of this Agreement by Buyer and Seller have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of Buyer and Seller in accordance with its terms.

l. **Commitment of Current Revenues Only**. In the event that, during any term hereof, the Commissioners Court does not appropriate sufficient funds to meet the obligations of Buyer under this Agreement, Buyer may terminate this Agreement upon ninety (90) days written notice to Seller. Buyer agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of Buyer pursuant to the provisions of Tex. Loc. Govt. Code Ann. § 271.903 (Vernon Supp. 1996).

m. **Termination:** This Agreement may be terminated by either party without cause upon thirty (30) days written notice.

l.. **Purchasing Ethics**. Seller represents and warrants it has not, during the process of being awarded this contract violated the following ethical standards of Buyer and, upon and after the execution of this Agreement, agrees to abide by the following ethical standards of Buyer:

(1) It shall be a breach of ethics to offer, give or agree to give any elected official, department head or employee, or former elected official, department head or employee, of Hidalgo County, or for any elected official, department head or employee or former elected official, department head or employee of Hidalgo County, to solicit, demand, accept or agree to accept from another person, entity or organization, a gratuity or an officer of employment in

connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advise, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefor pending before any department or agency of Hidalgo County.

(2) It shall be a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for Hidalgo County, or any person associated therewith, as an inducement for the award of a subcontract or order.

EXECUTED effective as of the day and year first above written.

APPROVED BY COMMISSIONERS COURT ON, _____, 2008.

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

By:_____

Date: 9-19-08

HIDALGO COUNTY

By:_____
Juan D. Salinas, III, County Judge

Date:_____

ATTEST:

_____
Arturo Guajardo, Jr., County Clerk

Date:_____

Frontera Materials, Inc.

By: _____

Printed Name: _____

Title:_____

Date:_____

Bid
for
Pit Run Caliche Base for Pct. 4
Bid No: 2008-214-08-27CGV
August 27, 2008

To: Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
2802 So. Business Hwy 281- New Administration Building
Edinburg, Texas 78539

In accordance with the Specifications, and subject to all laws and regulations of the United States and state and local laws, the undersigned bidder proposes and commits to furnish all labor, equipment, material, software and services as set forth in the documents hereinbefore mentioned. The undersigned bidder further agrees, upon acceptance of its bid, to execute a contract and/or Purchase Order issued by Hidalgo County for performing and completing the work described in the Specifications within the time stated and for the prices proposed in the documents attached hereto and made a part hereof.

Bidder acknowledges receipt of all of the pages of the documents referenced in the Invitation to Bid Checklist presented in connection with this procurement. Bidder understands that Hidalgo County reserves the right to reject any or all bids and further reserves the right to design the evaluation criteria to be used in selecting the lowest and best bid.

Bidder agrees that this bid shall be good and may not be withdrawn for a period of ninety (90) calendar days after the scheduled closing time for receiving bids, as contained in the Specifications.

Respectfully submitted,

Bidder: Frontera Materials, Inc.
Address: P.O. Box 1917 Weslaco TX 78599
By: Barry M Ehlinger
Printed Name: Barry M. Ehlinger
Title: Materials Manager

EXHIBIT "A"

HIDALGO COUNTY PRECINCT No. 4
"PIT RUN CALICHE"
BID NO. 2008-214-08-27-CGV

SPECIFICATIONS

1. Pit Run caliche base should conform to Texas Department of Transportation (TxDot), Standard Specifications for Construction of Highways, Streets and Bridges, 1995, Item 247, Type D material. The Physical and engineering properties of the material should meet the following requirements:

   THE MAXIMUM SIZE AGGREGATE ALLOWED IN THE BASE MATERIAL SHALL BE (2) TWO INCH AS DETERMINED BY GRADATION ANALYSIS USING SQUARE SIEVES.

   ATTERBERG LIMITS
   MAXIMUM LIQUID LIMIT.....40
   MAXIMUM PLASTICITY INDEX.....12

2. It is intended that the amount of "PIT RUN CALICHE BASE" needed by Hidalgo County Precinct No. 4 will be purchased on an "As Needed Basis". It shall be agreed & understood that Hidalgo County Precinct No. 4 will purchase no more material than is needed.

3. The contract will be in effect for a period of (1) one year with the County's option to extend for an additional one (1) year under the same price, terms, and conditions. Prices must remain firm during the contract period.

4. Hidalgo County reserves the right to continue this bid for an additional (60) sixty day "Grace Period" at the end of the contract term due to unforeseen delay of award for next contract term.

5. Bid price shall be per ton.

6. Hidalgo 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, including compliance to bid specifications. Location is an important factor in evaluation of the bids, due to transportation costs which must be taken into consideration if material is picked up at the plant site. Hidalgo County Precinct No. 4 reserves the right to hold the bids received for a period of (90) ninety days without taking action hereon.

7. Hidalgo County reserves the right to award to one or more bidder(s) whichever is in the best interest of the County.

8. The contract shall remain in effect until contract expires, delivery /completion of services ordered or terminated by either party with a (30) thirty day written notice prior to any cancellation. The successful bidder(s) must state therein the reasons for such cancellation. Hidalgo County reserves the right to award canceled contract to next lowest bidder as it deems to be in the best interest of the County.

9. Insurance Certificates as per "Exhibit C" must be submitted to the Purchasing Department prior to any services being performed by the awarded bidder(s).

10. When requested, samples shall be furnished free of expense to Hidalgo County.

11. Testing may be performed at the request of Hidalgo County anytime during the length of the contract through an independent testing laboratory.

12. Continuing non-performance of the bidder in terms of specifications shall be basis for the terminator of the contract by the County. The County shall not pay for work, equipment, or supplies which are unsatisfactory. Vendors will be given a reasonable opportunity before termination to correct the deficiencies.

13. In the event the material furnished does not meet all the above requirements (regardless of weather, test's acceptability, method of repair or other conditions), the County reserves the option to require the material supplier to replace or to reimburse the County for the unused portion of material found to be unsatisfactory.

14. **Awarded Bidder shall have at the Bidder's Pit Location (s) (On Site) an electronic or manual scale with a Minimum of 70 Ft. in length.**

15. It is expressly understood and agreed that in case Hidalgo County should need "Pit Run Caliche Base" not available within the time frame needed from the successful vendor during the term of this contract, Hidalgo County reserves the right to purchase these items from other sources other than the successful vendor and shall not be in violation of any terms or conditions of said contract. Further, Hidalgo County reserves the right to seek another vendor if, at any time, vendor's prices do not conform to public pricing.

Additional Information:

- Further information regarding this project can be addressed to Mr. Juan Manuel Carranza / Chief Administrator, Hidalgo County Precinct No. 4. Hidalgo County is also requesting that any and all questions, inquiries and clarifications regarding quotes, bids, proposal or statement of qualifications be addressed to Martha L. Salazar, CPPB, Purchasing Agent, at 2812 So. Business Hwy 281,Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

- All written inquiries will be accepted via facsimile no later than, Wednesday, August 20, 2008 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, August 22, 2008.

- 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.

- All applicable forms in this packet must be filled in its entirety and submitted with bid response. Incomplete sections may be considered for probable cause of disqualification and/or non-compliance.

Market Volatility and Unit Price Adjustments:

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

1. **Requesting Price Adjustment**: Upon written request of the Vendor to the County Purchasing Agent, the County may review evidence of prevailing industry-wide market conditions that warrant an adjustment in bid prices contained in the contract.

   A Vendor must tie any price change clause to an industry-wide or otherwise nationally recognized index, or some other form of verifiable document. Such written request must be accompanied by a certified copy of the supplier's advisory or notification to the vendor of the price changes.

   The Vendor must put the Purchasing Agent on the mailing lists for such publications so that the Purchasing Agent can monitor said changes. Such membership shall be at no cost to the County.

   The County Purchasing Agent retains the right to determine whether or not such proposed price changes are in the best interest of the County.

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

   The County may only grant a price increase if the evidence presented is deemed reliable. Should the County allow a price increase, the approved price change shall be honored for all orders received by the vendor or contractor after the effective date of such price change. Approved price changes are not applicable to orders already issued and in process at time of price change.

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

3). **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.

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

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

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 9/2/2008

PRODUCER (210)525-0500 FAX: (866)652-9386
Guaranty Insurance Services, Inc.
1100 N. E. Loop 410
Suite 200
San Antonio TX 78209

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
Frontera Materials, Inc.
P. O. Box 1917
Weslaco TX 78599

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: State Automobile Mutual	
INSURER B: Service Lloyds Ins. Co.	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

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INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE X OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY PRO-JECT LOC	PBP2497178	9/1/2008	9/1/2009	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 300,000 $ 5,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
A		AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS	BAP2229231	9/1/2008	9/1/2009	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
		GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EA ACC AGG	$ $ $
		EXCESS/UMBRELLA LIABILITY OCCUR 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	SRZ19278	9/1/2008	9/1/2009	X WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000
		OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS
Project: Pit Run Caliche Base for Pct. 3 - Bid No: 2008-214-08-27CGV
It is agreed that Hidalgo County is included as an Additional Insured as respects to General Liability and Auto Liability per written contract

CERTIFICATE HOLDER

Hidalgo County
ATTN: Purchasing Department
100 N. Closner Blvd.
Edinburg, TX 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
H Shults, Jr./RMARTI

© ACORD CORPORATION 1988

AI-11384 **19.E.2.**

Hauling Services of All Road Materials-Pct. 4
CC REGULAR

Date: 09/30/2008
Submitted By: Gricelda Villarreal, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Prct. 4

Information

CAPTION

Recommending bid award to the sole participant for the request for bids for "Hauling Services of All Road Materials (excluding Hot-Mix) for Precinct No. 4 " and approval of contract commencing on September 30, 2008. Bid No. 2008-317-09-10CGV.

BACKGROUND

C-08-317-09-30 On an As Needed Basis

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 1204-431-00-124-007-0-346
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Object Code 346 available balance as of 9/26/08 $ 90,000.00
Object Code 731 available balance as of 9/26/08 $268,308.85
Object Code 734 available balance as of 9/26/08 $150,398.65

Attachments

Link: Recommendation Memo,Tab Sheet, Participaiton Log

Link: contract

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 12:57 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 03:02 PM	APRV
3	Manuel Chapa	Manuel Chapa	09/26/2008 09:15 AM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 03:37 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 04:37 PM	APRV

Form Started By: Gricelda Villarreal Started On: 09/24/2008 04:11 PM

Final Approval Date: 09/26/2008

COUNTY of HIDALGO



EDINBURG, TEXAS 78539

MEMO

DATE: SEPTEMBER 24, 2008
TO: HIDALGO COUNTY PURCHASING DEPARTMENT
C/O CRIS VILLARREAL, BUYER
FROM: HIDALGO COUNTY PRECINCT #4
REF: BID NO.: 2008-317-09-17CGV-
"HAULING OF ALL ROAD MATERIALS" (EXCLUDING HOT-Mix)"
ACCT. #: 8-1204-431-00-124-007-0-346 / 731

HIDALGO COUNTY PCT. #4 IS HEREBY RECOMMENDING AWARD OF ABOVE MENTIONED BID TO SOLE BIDDER **(ROY'S HAULING SERVICE, INC.).**

SHOULD YOU HAVE ANY QUESTIONS, PLEASE FEEL FREE TO CONTACT MY OFFICE, THANK YOU.

CC: COUNTY FILES

PURCHASING DEPARTMENT
County Of Hidalgo

Total of: 6 pages

MEMORANDUM

TO: Hon. Oscar Garza, Commissioner
Hidalgo County Precinct No. 4
Via Fax: 956-381-5905

ATTN: Mr. Juan Carranza, Administrator

FROM: Cris Villarreal, Buyer CV.
Hidalgo County Purchasing Department

DATE: September 19, 2008

RE: Bid No.: 2008-317-09-17CGV- "Hauling of All Road Material (Excluding Hot-Mix)" project

Enclosed, for your review, comments and recommendations, please find a copy of the bids received for the above referenced project.

Please submit your recommendation including budget information no later than Wednesday, **September 23, 2008**, by **2:00 P.M.** in order to place on the next Commissioner's Court Meeting **Tuesday, September 30, 2008** for award of bid.

If you have any questions, please call me at 318-2626.

APPROVE ☒ DISAPPROVE ☐

FUNDS AVAILABILITY: X Yes / _____ No / _____ Other (specify)_____

BUDGET ACCOUNT #: 8-1204-431-00-124-007-0-346/731/734

Juan M. Carranza Juan M. Carranza 9-23-08
AUTHORIZED SIGNATURE PRINTED NAME DATE

SUBMIT THIS FORM TO THE HIDALGO COUNTY PURCHASING DEPARTMENT, VIA FAX TO (956) 318-2629 or 292-7612.

Enclosures

HIDALGO COUNTY PURCHASING DEPARTMENT
BID TABULATION SHEET

DEPARTMENT NAME: Hidalgo County Precinct No. 4

BID OPENING DATE: September 17, 2008 | **BID OPENING TIME: 9:30 A.M.**

DESCRIPTION OF BID: Hauling Services of All Road Materials

BID NO: 2008-317-09-10CGV Extended from 9-10-08 to 9-17-08

BID # RFB#	NAME OF COMPANY	UNIT PRICE	TOTAL PRICE	ADDENDUM
#1	Roy's Hauling Services	See Tabulation Sheet		√√
#2				
#3				
#4				
#5				
#6				
#7				
#8				
#9				
#10				

Hidalgo County Precinct No. 4
"Hauling of All Road Material (Excluding Hot-Mix)"
Bid No.: 2008-317-09-10-CGV

Tabulation Sheet

Name of Vendor: Roy's Hauling Service, Inc.	

SAMPLE:	*$ 3.00*	*25%*	*.75*
Road Materials / Location of Plant:	**Total Cost Per Ton:**	**Fuel Costs Percentage Per Ton:**	**Current / Base Fuel Cost**
Crushed Caliche: Martin Marietta Materials & Frontera Materials Listed vendors are subject to be changed upon material contract expiration			
1.) 2 Miles S of Intersection FM 1017 & FM 3250 on 3250 Jericho Pinn Linn, TX	$5.20	75%	$3.90
2.) 490 & Reavis Pit	$6.25	75%	$4.69
Pit - Run Caliche - Roy's Hauling Listed vendors are subject to be changed upon material contract expiration			
1.) Big Five Pit: 4 Mile N. of FM 1925 on Big Five Road. 2.) San Manuel Pit: 3 Mile W. of US 281 on FM 1017 to FM 3250, then 1 Mile south on FM 3250, Pit located on West Side.	$3.94	75%	$2.96

HIDALGO COUNTY PURCHASING DEPARTMENT
PARTICIPATING BIDDER'S LOG
SPECIFICATIONS/BID PACKETS

IBF-RFP-RFQ-RFI

BID OPENING DATE: September 10, 2008, **BID OPENING TIME:** 9:30 A.M.

DEPARTMENT/BID DESCRIPTION: "Hauling Services of All Road Materials"

BID NO: 2008-317-09-10CGV

NAME OF BIDDER: COMPANY/FIRM	BID REQUEST VIA*	SIGNATURE (IF APPLICABLE) OR INITIALS OF STAFF ADDRESSING MAIL OUT	DATE	PHYSICAL ADDRESS CITY-STATE-ZIP PHONE & FAX NO.s
1. R & R General Contractors Gabriel Ramirez	IP	Gabriel Ramirez 956-844-6826 ram_gabe@hotmail.com	9-02-08	1913 W. 42 ½ St Mission, Tx 78572
2. Roy's Hauling Services	BLM	CGV	9-02-08	PO Box 1896 Edinburg, Tx 78539
3. Triple R Trucking	BLM	CGV	9-02-08	RR 21 Box 550 Edinburg, Tx 78539
4. M.C. Hauling Services	BLM	CGV	9-02-08	PO Box 2374 Elsa, Tx 78543
5. Universal Trucking	BLM	CGV	9-02-08	PO Box 653 Alamo, Tx 78516
6. Moya Dump Truck	BLM	CGV	9-02-08	RR 11 Box 381-R Edinburg,, Tx 78539
7. Hi-Low Sales, Inc.	BLM	CGV	9-02-08	RT 4 Box 3090 Donna, Tx 78537
8. FEG Materials	BLM	CGV	9-02-08	RT 2 Box 71FG Mission, Tx 78572
9.				
10.				

***VIA:**
IN PERSON (IP)
TELEPHONE REQUEST (TR)
BIDDER LIST MAIL OUT (BLM)

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

SERVICE CONTRACT
C-08-317-09-30

THIS CONTRACT is made and entered into this **30th** day of **September, 2008** by and between the **COUNTY OF HIDALGO, TEXAS** ("County"), and **Roy Hauling Service, Inc.** a Texas Corporation. ("Company").

WHEREAS, Company responded to advertised notices for bids for **"Hauling Services for All Road Materials (Excluding Hot-Mix)"** for **Hidalgo County Precinct No. 4** (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. 4**. 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 of one (1) year beginning **September 30, 2008** and ending **September 29, 2009** with the County's option to extend for an additional one (1) year period **"On an As Needed Basis"** under the same rates, terms and conditions. (Prices must remain firm during the contract term). 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, 2nd Floor
Edinburg, Texas 78539

If to Company: **Roy's Hauling Service Inc.**
Attn: Roy Balderas Jr., Vice President
P. O. Box 1896
Edinburg, Texas 78540

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.

Executed effective as of the date and year first above written.

Approved by Commissioners' Court on _____ ,2008.

COUNTY OF HIDALGO

By:_____
Juan D. Salinas, III, County Judge
Date: _____

ATTEST:

_____
Arturo Guajardo Jr., County Clerk
Date:_____

COMPANY:
Roy's Hauling Service, Inc.

By:_____
Printed Name: _____
Title: _____
Date:_____

APPROVED AS TO FORM:

Atlas & Hall, L.L.P.

By:_____

Date: 9-25-08

EXHIBIT "A"

HIDALGO COUNTY PRECINCT NO. 4
"HAULING SERVICES OF ALL ROAD MATERIALS"
(EXCLUDING HOT-MIX)
BID NO.: 2008-317-09-10CGV

SPECIFICATIONS AND/OR TERM AND CONDITIONS:

1. All hauling of all road materials will be within Hidalgo County Precinct No. 4 area and shall be awarded on a per ton basis and will haul along with Precinct No. 4 forces. Hauling services will be requested on an "As Needed Basis" by the precinct.

2. Road materials (i.e. crushed caliche, pit run caliche) will be hauled from awarded vendor's pit location.

3. 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. The following locations are the present awarded vendors for Caliche Material. Contracts, at the County's sole discretion, may be extended for an additional sixty (60) days.

   A. The following locations is the current awarded vendor for: Crushed Caliche:
      i. **Martin Marietta Materials**: 2 miles So. of Intersection FM 1017 to FM 3250 on 3250 Jericho Pinn, Linn, Tx
      Contract expires: **March 2, 2009**

      ii. **Frontera Materials:** 490 Pit & Reavis Pit :(490 Pit--2.5 miles N of US 281 and 4 miles West on FM 490) (Reavis Pit: 2 ½ miles N from Intersection Hwy 83 and FM 2221)
      Contract expires: **March 3, 2009**

   B. The following location is the current awarded vendor for: Pit-Run Caliche:
      i. **Roy's Hauling Service**- Big 5 Pit and Pit 3: Big 5 Pit located 4 miles North of FM 1925 on Big 5 Road.
      ii. **San Manuel - Pit 3:** Located 3 miles West of US 281 on FM 1017 to FM3250; then 1 Mile South on FM 3250, pit located on West Side.
      Contract expires: ***October 1, 2008***

4. Bid price must be on a per ton basis;

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 its best interest to do so.

6. **Contract Term**: The contract will be in effect for a period of (1) one year from bid award date with the County's option to extend for an additional (1) one year under the same rates, terms and conditions. Prices must remain firm during the contract term.

7. Hidalgo County Precinct No. 4 reserves the right to continue this bid for an additional sixty (60) day Grace Period at the end of the contract term for unforseen delay in award of new bid for next contract term.

8. Hauling of Road Material will be done by Precinct No. 4 forces along with awarded vendor when required.

9. 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.

10. Insurance Certificates as per "Exhibit C" must be submitted to the Purchasing Department prior to any services being performed by the awarded bidder(s).

11. **All applicable forms in this packet must be filled out in its entirety and submitted with bid response. Incomplete sections may be considered for probable cause of disqualification and/or non-compliance**.

Market Volatility and Unit Price Adjustments:

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

1) **Requesting Price Adjustment**: Upon written request of the Vendor to the County Purchasing Agent, the County may review evidence of prevailing industry-wide market conditions that warrant an adjustment in bid prices contained in the contract.

    - A Vendor must tie any price change clause to an industry-wide or otherwise nationally recognized index, or some other form of verifiable document. Such written request must be accompanied by a certified copy of the supplier's advisory or notification to the vendor of the price changes.

    - The Vendor must put the Purchasing Agent on the mailing lists for such publications so that the Purchasing Agent can monitor said changes. Such membership shall be at no cost to the County.

    - The County Purchasing Agent retains the right to determine whether or not such proposed price changes are in the best interest of the County.

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

    - The County may only grant a price increase if the evidence presented is deemed reliable. Should the County allow a price increase, the approval price change shall be honored for all orders received by the vendor or contractor after the effective date of such price change. Approved price changes are not applicable to orders already issued and in process at time of price change.

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

3) **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.

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

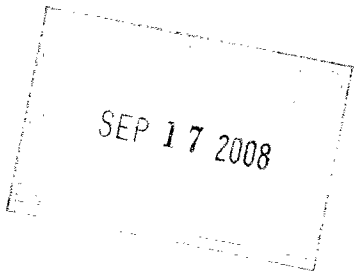
5) **Dollar Limit to Price Changes**: The total increase in contract price shall not exceed twenty-five percent (25%) of the original contract price during the contract term.

Additional Information:

- Further information regarding this project can be addressed to Mr. Juan Manuel Carranza, Chief Administrator, Hidalgo County Precinct No. 4. Hidalgo County is also requesting that any and all questions, inquiries and clarifications regarding quotes, bids, proposals or statements of qualifications be addressed to Martha L. Salazar, CPPB, Purchasing Agent, at 2812 So. Business Hwy 281, Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

- All written inquiries will be accepted via facsimile no later than, Wednesday, September 3, 2008 at 5:00 P.M., at (9056) 316-2629. Responses to said inquiries will be sent to all applicants via facsimile by no later thank 5:00 P.M., Friday, September 5, 2008.

Bid
for
Hauling Services of All Road Materials
Bid No: 2008-317-09-10CGV
September 10, 2008



To: Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
2802 So. Business Hwy 281- New Administration Building
Edinburg, Texas 78539

In accordance with the Specifications, and subject to all laws and regulations of the United States and state and local laws, the undersigned bidder proposes and commits to furnish all labor, equipment, material, software and services as set forth in the documents hereinbefore mentioned. The undersigned bidder further agrees, upon acceptance of its bid, to execute a contract and/or Purchase Order issued by Hidalgo County for performing and completing the work described in the Specifications within the time stated and for the prices proposed in the documents attached hereto and made a part hereof.

Bidder acknowledges receipt of all of the pages of the documents referenced in the Invitation to Bid Checklist presented in connection with this procurement. Bidder understands that Hidalgo County reserves the right to reject any or all bids and further reserves the right to design the evaluation criteria to be used in selecting the lowest and best bid.

Bidder agrees that this bid shall be good and may not be withdrawn for a period of ninety (90) calendar days after the scheduled closing time for receiving bids, as contained in the Specifications.

Respectfully submitted,

Bidder: ROY'S HAULING SERVICE, INC.

Address: P.O. BOX 1896, EDINBURG, TEXAS 78540

By: _____

Printed Name: ROY BALDERAS JR.

Title: VICE-PRESIDENT

EXHIBIT "B"

HIDALGO COUNTY PRECINCT # 4
"HAULING OF ROAD MATERIALS (EXCLUDING HOT-MIX)"
BID NO: 2008-317-09-10-CGV
BID PAGE FORM

Information to Bidder:
All applicable forms in this packet must be filled out in its entirety and submitted with bid response. Incomplete sections may be considered for probable cause of disqualification and/or non-compliance.

Part I. AWARD WILL BE BASED ON THE LOWEST BID PER TON MEETING ALL REQUIRED SPECIFICATIONS.

SAMPLE:	*$ 3.00*	*25%*	*.75*
Road Materials / Location of Plant:	**Total Cost Per Ton:**	**Fuel Costs Percentage Per Ton:**	**Current / Base Fuel Cost**
Crushed Caliche: Martin Marietta Materials & Frontera Materials Listed vendors are subject to be changed upon material contract expiration			
1.) 2 Miles S of Intersection FM 1017 & FM 3250 on 3250 Jericho Pinn Linn, TX	$ 5.20	75%	3.90
2.) 490 & Reavis Pit	$ 6.25	75%	4.69
Pit - Run Caliche - Roy's Hauling Listed vendors are subject to be changed upon material contract expiration			
1.) Big Five Pit: 4 Mile N. of FM 1925 on Big Five Road. 2.) San Manuel Pit: 3 Mile W. of US 281 on FM 1017 to FM 3250, then 1 Mile south on FM 3250, Pit located on West Side.	$ 3.94	75%	2.96

Part II. BID PRICE ADJUSTMENT BY HIDALGO COUNTY PRECINCT NO 4.

At the time of bid openings South Texas is experiencing historic high fuel prices. Therefore, Hidalgo County Precinct No. 4 is requesting pricing adjustments based on the following:

Fuel Cost Base Bid Price for project will be based on the OPIS Fuel Index for September 9, 2008. For each 10% (increase or decrease) in the OPIS Index of September 9, 2008 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)

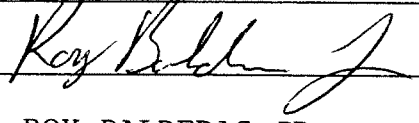
In the event you submit an invoice reflecting a price change under this provision, the Hidalgo County Precinct No. 4 will only honor the change if a copy of the OPIS report on which the change is based accompanies the

invoice. Additionally, the Hidalgo County Precinct No. 4, 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.

Term: Contract is for an initial period of one (1) year from bid award date. Vendor understands that the County at its sole action can extend this bid for an additional one (1) year term under the same rates, terms and conditions.

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

Company Name:	ROY'S HAULING SERVICE, INC.
Address:	P.O. BOX 1896
City/State/Zip Code:	EDINBURG, TEXAS 78540
Signature of Bidder:	
Printed Name:	ROY BALDERAS JR.
Title:	VICE-PRESIDENT
Phone and Fax Numbers:	PH(956)383-2206 FAX(956)383-2569
Cell Phone Number:	
Date:	SEPTEMBER 9, 2008

PURCHASING DEPARTMENT
County Of Hidalgo

September 9, 2008

RE: ADDENDUM NO.1
FOR BID No.: 2008-317-09-10-CGV
"HIDALGO COUNTY PCT. 4– HAULING SERVICES OF ALL ROAD MATERIALS.

Dear Gentlemen:

Attached you will find **ADDENDUM NO. 1, PAGE 1 OF 1** in connection with **HIDALGO COUNTY** - request for bids for "**HAULING SERVICES OF ALL ROAD MATERIALS-PCT. 4".**

Please add this **ADDENDUM NO. 1** to your bid packet so as to permit your company to submit a complete bid. See original bid packet LEGAL NOTICE page 3 paragraph 9.

Acknowledge receipt of **ADDENDUM NO. 1** by signing and returning this notice to us VIA FAX AT (956) 318-2629.

If you do not receive all pages of **ADDENDUM NO. 1** please notify us immediately at (956) 318-2626.

Please be advised that this **ADDENDUM NO. 1** will complete your bid packet for **"HIDALGO COUNTY-HAULING SERVICES OF ALL ROAD MATERIALS-PCT. 4".**

Thank you for your prompt attention to this matter.

Martha L. Salazar, CPPB
Hidalgo County Purchasing Agent

BY: _____
ADDENDUM NO. 1
ACKNOWLEDGMENT OF RECEIPT

MLS/cgv

Enclosures

ADDENDUM NO. 1

September 9, 2008

"HIDALGO COUNTY-
HAULING SERVICES OF ALL ROAD MATERIALS-PCT. 4
BID NO.: 2008-317-09-10-CGV
Bid Opening Date: ~~September 10, 2008~~

NEW BID OPENINGS DATE: September 17, 2008

PLEASE NOTE CHANGES AS FOLLOWS:

No. 1 **EXTENSION OF BID OPENINGS DATE**

FROM: **SEPTEMBER 10, 2008**

TO: **SEPTEMBER 17, 2008**

No. 2 Modifications to 'Exhibit A" under Specifications and/or Terms and Conditions to include the following:

12. Hidalgo County Precinct No. 4 is requesting a minimum of Ten (10) available hauling trucks as described below, including Five (5) vendor owned providing proof of ownership (copy of title) along with your bid submittals. Trucks should be available on an "As Needed Basis" with a minimum of twenty-two (22) tons per load. Please note the make, year, model, vehicle identification number, license plates, ownership, and capacity of your hauling trucks on Attachment A.
    a. Seven (7) operable hauling trailers.
    b. Three (3) to Five (5) operable hauling tandem trucks.

13. The bidder awarded the contract shall not engage the services of a subcontract without prior written consent of Hidalgo County. When requesting written consent from Hidalgo County to retain a subcontractor to perform services hereunder the successful bidder must present evidence and submit to the County that the successful bidder and the proposed subcontractor possess all necessary licenses and permits to perform the services described herein and that the successful bidder and the proposed subcontractor have obtained and submitted the required insurance coverage and policies as required by Hidalgo County (See Exhibit C).

I, _____, acknowledge receipt of ADDENDUM NO. 1 dated, September 9, 2008, for RFB-"HIDALGO COUNTY –HAULING SERVICES OF ALL ROAD MATERIALS-PCT. 4", bid opening date modifications.

ROY BALDERAS JR. — Printed Bidder Name

09/10/2008 — Date

NOTE: PLEASE SUBMIT THIS ADDENDUM WITH YOUR BID PACKET, IN ORDER TO COMPLETE THE BID.....

ATTACHMENT "A"
HIDALGO COUNTY
"HAULING SERVICES OF ALL ROAD MATERIALS-PCT. 4"
BID NO.: 2008-317-09-10CGV

Hidalgo County Precinct No. 4 is requesting the following information of the available hauling trucks to be utilized for this project: MAKE/MODEL, VEHICLE IDENTIFICATION NUMBERS, LICENSE PLATE NUMBERS & TONAGE PER LOAD for each truck personally owned and/or leased by vendor which shall be covered under insurance requirements as set forth by Hidalgo County. If additional space is required a second sheet is provided.

YEAR/MAKE/ MODEL	VEHICLE IDENTIFICATION NUMBER	LICENSE PLATE NO.	TONS PER LOAD	VENDOR OWNED OR LEASED
1998 INTL	2HSFHAER3WCO44857	2CT 881	22-24	OWNED
1999 INTL	2HSFHREROXCO66851	2CT 879	22-24	OWNED
1999 MACK	1M1AA12Y9XW111180	2CT 880	22-24	OWNED
2000 MACK	1M1AA13Y2YW131349	2CT 876	22-24	OWNED
2000 INTL	2HSFTAEROYCO37950	2CT 877	22-24	OWNED
2000 INTL	2HSFTAER9YCO37946	2CT 878	22-24	OWNED
2000 PETE	1XPCDU9X740483207	2AE 509	22-24	OWNED
2000 PETE	1XPCDU9X5YD483173	2CT 875	22-24	OWNED
2000 PETE	1XPCDU9X540483206	61X SH7	16	OWNED
2000 PETE	1XPCDU9X4YD483178	56M YJ6	16	OWNED
1991 INTL	1HSHANXN9MH357044	7BK D30	16	OWNED

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 09/12/08

PRODUCER
VALMOR INSURANCE AGENCY
1303 N. 10th St., Suite 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, INC.
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 LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		GENERAL LIABILITY					
		[ ] COMMERCIAL GENERAL LIABILITY				EACH OCCURRENCE	$
		[ ] CLAIMS MADE [ ] OCCUR				DAMAGE TO RENTED PREMISES (Ea occurrence)	$
						MED EXP (Any one person)	$
						PERSONAL & ADV INJURY	$
		GEN'L AGGREGATE LIMIT APPLIES PER:				GENERAL AGGREGATE	$
		[ ] POLICY [ ] PRO-JECT [ ] LOC				PRODUCTS - COMP/OP AGG	$
A		AUTOMOBILE LIABILITY	FCNCCV2300075	08/16/08	08/16/09	COMBINED SINGLE LIMIT (Ea accident)	$1,000,010
		[ ] ANY AUTO					
		[ ] ALL OWNED AUTOS				BODILY INJURY (Per person)	$
		[X] SCHEDULED AUTOS					
		[X] HIRED AUTOS				BODILY INJURY (Per accident)	$
		[X] NON-OWNED AUTOS					
						PROPERTY DAMAGE (Per accident)	$
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		[ ] ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	$
		[ ] OCCUR [ ] CLAIMS MADE				AGGREGATE	$
		[ ] DEDUCTIBLE					$
		[ ] RETENTION $					$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				[ ] WC STATU-TORY LIMITS [ ] OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$
						E.L. DISEASE - POLICY LIMIT	$
		OTHER					

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

1991 INTL #7044, 1985 INTL #3732, 1998 INTL #4857, 1999 INTL #6851
1999 MACK #1180, 2000 INTL #7950, 2000 INTL #7946, 2000 MACK #1349
2000 PETE #3178, 2000 PETE #3173, 2000 PETE #3206, 2000 PETE #3207

CERTIFICATE HOLDER

COUNTY OF HIDALGO
2802 S. BUSINESS HWY 281
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
Maribel Guerra

NLD

© ACORD CORPORATION 1988

Client#: 9117 ROYSHAU

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 09/12/08

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.

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

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: USF Insurance Company	25887
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 LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY	LGBGL72455	09/11/08	09/11/09	EACH OCCURRENCE	$1,000,000
		X COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	$100,000
		CLAIMS MADE [X] OCCUR				MED EXP (Any one person)	$5,000
		X BI/PD Ded:500				PERSONAL & ADV INJURY	$1,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER:				GENERAL AGGREGATE	$2,000,000
		POLICY PRO-JECT LOC				PRODUCTS - COMP/OP AGG	$
		AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident)	$
		ANY AUTO				BODILY INJURY (Per person)	$
		ALL OWNED AUTOS				BODILY INJURY (Per accident)	$
		SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	$
		HIRED AUTOS					
		NON-OWNED AUTOS					
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	$
		OCCUR CLAIMS MADE				AGGREGATE	$
		DEDUCTIBLE					$
		RETENTION $					$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS / OTH-ER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	$
						E.L. DISEASE - POLICY LIMIT	$
		OTHER					

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

CERTIFICATE HOLDER

County of Hidalgo
2802 S Business Hwy 281
Edinburg, TX 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 P Davis

Client#: 9117

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 07/14/08

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.

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

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Texas Mutual Insurance Company	22945
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 LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
		GENERAL LIABILITY				EACH OCCURRENCE	$
		☐ COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	$
		☐ CLAIMS MADE ☐ OCCUR				MED EXP (Any one person)	$
						PERSONAL & ADV INJURY	$
						GENERAL AGGREGATE	$
		GEN'L AGGREGATE LIMIT APPLIES PER:				PRODUCTS - COMP/OP AGG	$
		☐ POLICY ☐ PRO-JECT ☐ LOC					
		AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident)	$
		☐ ANY AUTO				BODILY INJURY (Per person)	$
		☐ ALL OWNED AUTOS				BODILY INJURY (Per accident)	$
		☐ SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	$
		☐ HIRED AUTOS					
		☐ NON-OWNED AUTOS					
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$
		☐ ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	$
						AGG	$
		EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE	$
		☐ OCCUR ☐ CLAIMS MADE				AGGREGATE	$
		☐ DEDUCTIBLE					$
		☐ RETENTION $					$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	TSF0001189521	04/02/08	04/02/09	X 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
						E.L. DISEASE - POLICY LIMIT	$500,000
		OTHER					

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

CERTIFICATE HOLDER

County of Hidalgo
2802 S Business Hwy 281
Edinburg, TX 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

AI-11414 **19.F.1.**

2008 Texas Conference of Urban Counties Payment Approval
CC REGULAR

Date: 09/30/2008
Submitted By: Matilde Faz, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** IT Department

Information

CAPTION

Presentation for discussion, consideration, acceptance, and approval of a payment to Texas Conference of Urban Counties in the amount of $380,250.00, for the CIJS (Criminal Information Justice System) software-license payment for the Court Administration System for civil and family courts, requisition #140312 for the I. T. Department after review, audit and processing procedures completed by Auditor's Office with authority for County Treasurer to issue check.

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1302-412-00-200-009-0-747
FUNDS AVAILABLE Y/N?: Yes **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Req # 140312 in the amount of $380,250.00 as of 09-26-08

Available balance in account as of 09-26-08 $950,920.00

Attachments

Link: Urban Counties Requisition

Link: Urban Counties Emails

Link: Urban Counties Contract

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 03:02 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 03:18 PM	APRV
3	Veronica Lopez	Veronica Lopez	09/26/2008 08:48 AM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 04:06 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 04:38 PM	APRV

Form Started By: Matilde Faz

Started On: 09/25/2008 11:50 AM

Final Approval Date: 09/26/2008

Requisition

Req # 00140312

PO #

Date: 09/25/08

Bill To: x
x

Vendor : 263532
TEXAS CONFERENCE OF URBAN COUNTIES
500 WEST 13TH STREET
AUSTIN TX 78701
FAX (512)476-5122

Ship To: INFORMATION TECHNOLOGY DEPARTMENT
100 E. CANO, 4TH FLOOR
EDINBURG TX 78540

Contact: EDNA KIRBY
956-292-7010

Contract No:

Special Instructions:

QUANTITY	UOM	DESCRIPTION	UNIT PRICE	AMOUNT
		DO NOT DUPLICATE ORDER		
1	EACH	FY 2008 Quality Assurance for Hidalgo County provided by Urban Counties Pursuant to the CIJS Services Addendum to the Interlocal Agreement for Participation in the TechShare Program	21,000.00	21,000.00
1	EACH	Common Intergrated Justice Software License Fee	341,250.00	341,250.00
1	EACH	Texas County Enterprise System Mods Hidalgo County Share Pursuant to the CIJS Services Addendum to the Interlocal Agreement for Participation in the TechShare Program	18,000.00	18,000.00
		Account No	Encumbrance	
		8-1302-412-00-200-009-0-747	380,250.00	
			Freight	.00
			Total	380,250.00
		REPORT ROAD HAZARDS 1-866-HCR-SAFE OR 1-866-427-7233		

Authorized By: _____

mike

From: Clarisse Roquemore [clarisse.roquemore@cuc.org]
Sent: Tuesday, September 02, 2008 2:13 PM
To: Clarisse Roquemore; Mike.robledo@co.hidalgo.tx.us
Subject: CIJS: Executed Addendum

Mike,

Attached is Hidalgo County's executed CIJS Addendum, effective through September 30, 2009. Please let me know if you need any further documentation or have any other questions pertaining to these invoices.

Best,
Clarisse

From: Clarisse Roquemore
Sent: Monday, August 25, 2008 4:30 PM
To: 'Mike.robledo@co.hidalgo.tx.us'
Cc: Clarisse Roquemore
Subject: Invoices 5161 and 5126 from Texas Conference of Urban Counties: CIJS
Importance: High

Mike,

Attached are the invoices corresponding with payments anticipated before the close of this calendar year. Please note that Quality Assurance appears on a separate invoice because it was already submitted for payment on July 16, 2008.

Please contact me if I may be of further assistance on this or any other matter.

Sincerely,

Clarisse Roquemore
Texas Conference of Urban Counties
500 W. 13th St.
Austin, TX 78701
512.476.6174
512.476.5122 Fax
clarisse@cuc.org
http://www.cuc.org/

mike

From: Clarisse Roquemore [clarisse.roquemore@cuc.org]
Sent: Friday, August 22, 2008 3:32 PM
To: Robledo, Mike
Subject: Hidalgo County CIJS Payments

Good afternoon Mike!

The following is a breakdown of the amounts the Urban Counties anticipated Hidalgo would pay before close of calendar year 2008:

- License Fees: $341,250
- Enterprise Mod: $18,000
- Quality Assurance: $21,000

Please contact me if I may be of further assistance on this or any other matter.

Sincerely,

Clarisse Roquemore
Texas Conference of Urban Counties
500 W. 13th St.
Austin, TX 78701
512.476.6174
512.476.5122 Fax
clarisse@cuc.org
http://www.cuc.org/

TEXAS Conference of
Urban Counties

TechShare

TECHSHARE RESOURCE SHARING ADDENDUM
COMMON INTEGRATED JUSTICE SYSTEM (CIJS)
COURT ADMINISTRATION SYSTEM
July 1, 2008 - September 30, 2009

I.
PURPOSE

This is an Addendum to the Interlocal Agreement for Participation in the Urban Counties Techshare Program (**"ILA"**), to which the undersigned County is a signatory. It is entered into by and between the County and the Texas Conference of Urban Counties ("Urban Counties"), all of whom may be collectively referred to as "Parties."

Through approval and execution of this Addendum and Attachments, and subject to all the terms and conditions of the Court Administration Master License Agreement and Professional Services Agreement ("Master License Agreement") executed between Tyler Technologies and the Urban Counties on February 28, 2006, the County shall be granted a sublicense from the Urban Counties to acquire and implement the Court Administration System.

In the event any provision of this Addendum is in direct conflict or inconsistent with a provision of the ILA, the provision in this Addendum controls.

II.
TERM AND TERMINATION

This Addendum shall be in effect from the date it is approved by the County's Commissioners Court to September 30, 2009.

This Addendum may be terminated by the County by providing written notice of termination to the Urban Counties at least thirty (30) days in advance of the proposed termination date.

The Parties acknowledge and agree that in the event the County terminates this Addendum, the County shall not be entitled to reimbursement of Court Administration System sublicense fees and Enterprise Modification Fees previously paid by the County and shall not be eligible to participate on the Resource Oversight Board. Upon termination, if the County has paid in full the County's Court Administration System sublicense fee, the County shall have the right to continue to use the current version of the software in use on the date of termination. However, the County shall have no right to subsequent software updates and maintenance services. Upon termination, if the County has not paid in full the County's Court Administration System sublicense fee, the County shall not be entitled to use the Court Administration System.

III.

RESOURCE SHARING ADDENDUM ATTACHMENTS

The following Attachments set forth the terms and conditions whereby participating counties may acquire a sublicense from the Urban Counties for the Court Administration System. By approval and execution of this Addendum, Attachment B (License Participation Agreement) Attachment C (Maintenance and Programming Services Agreement) and Attachment D (Three-Party Master Escrow Service Agreement , the County shall be granted a sublicense for the Court Administration System including implementation, installation, training, maintenance services and, Enterprise and Local Modifications.

The ILA, Addendum and the following Attachments constitute the entire agreement between the Parties and the entire agreement between the Urban Counties and Tyler Technologies.

A. Financial Plan

Attachment A is the Financial Plan that sets forth the costs to the County associated with sharing the CIJS Court Administration System for Phase 1, Civil and Family Courts, through September 30, 2009. The County, by approval and execution of this Addendum, shall be responsible for the payment of these costs to the Urban Counties pursuant to Section V of this Addendum. As additional counties join, the County's Financial Plan may be adjusted to reflect decreases in costs without further action of the County.

IV.

REIMBURSEMENT OF SHARED COSTS

The County shall be eligible for reimbursement of a portion of the County's Court Administration System sublicense fee from the Urban Counties after the License Fee specified in the Master License and Support Services Agreement has been paid in full to Tyler Technologies by the Urban Counties. A portion of the Court Administration System sublicense fees collected by the Urban Counties from additional counties in excess of the License Fee paid to Tyler Technologies shall be remitted to the County as reimbursement. The reimbursement amount shall be in proportion to the County's share of the total amount of Court Administration System sublicense fees paid by all the participating counties.

The County shall be eligible for reimbursement of a portion of its payments for Enterprise Software Modifications as additional counties participate in sharing the Court Administration System. The County shall be eligible for reimbursement after Tyler Technologies has been paid in full for Enterprise Software Modifications. A portion of the Enterprise Software Modification fees collected by the Urban Counties from additional counties in excess of the Enterprise

ES (as contract administrator)

COUNTY OF HIDALGO

BY: _____

Title: County Judge

Date: 7/1/08

APPROVED AS TO FORM:

Atlas & Hall, LLP

By: _____
Stephen L. Crain

Title: Counsel to Commissioners Court

Date: July 1, 2008

TEXAS CONFERENCE OF URBAN COUNTI

BY: _____

Title: Executive Director

Date: 7/9/08

Attachment A – Financial Plan

Phase 1, Civil Cases, District and County Clerks, Financial Plan Summary:

The following table summarizes the expected costs for Phase 1 of the Hidalgo County Common Integrated Justice System Project. Phase 1 includes all Civil and Family case types for the District and County Courts and for the operations in the District and County Clerks' Office to support the Civil and Family case types.

The total cost for Hidalgo County's CIJS Project, Phase 1, excluding any computer hardware and systems software to be purchased by the County is $1,297,900.

	Phase 1
CIJS Software	
Court Administration	$ 682,500
Jail Management/Law Enforcement	n/a
Community Supervision	n/a
Hot Checks	n/a
Implementation Services	
Tyler Implementation Plan	$ 17,400
Tyler Budget Estimate	$ 500,000
Travel Expenses	$ 59,000
CUC Texas County Enterprise Mods	
Hidalgo County Cost	$ 18,000
CUC Oversight	
Quality Assurance and Contract Administration	$ 21,000
Totals by Fiscal Year	$ 1,297,900

The CIJS software is the license payment for the Court Administration System for Civil and Family Courts. Payments of license fees will be made through the Conference of Urban Counties.

Payments to Tyler Technologies for Implementation Services will be made directly to Tyler Technologies by Hidalgo County in accordance with the License Participation Agreement previously approved by the County and the Implementation Plan, after it is approved by Hidalgo County. Payments to Tyler Technologies for Implementation Services will be made monthly based on services provided and accepted or approved by the County.

Funding for Hidalgo County's share of the Texas County Enterprise Mods for Civil and Family Courts will be made to the Conference of Urban Counties.

Payment for Quality Assurance and Contract Administration Services will be made to the Conference of Urban Counties.

Anticipated Payments to Texas Conference of Urban Counties in Fiscal Year 2008:

The following schedule shows the estimated dates for payments to the Texas Conference of Urban Counties for CIJS Software, Enterprise Modifications and Oversight for Hidalgo County's CIJS Phase 1 Project.

	Payment Amount	Estimated Payment Date
CIJS Software		
Court Administration Software - Upon approval of Implementation Plan and Notice to Proceed	$ 341,250	August 2008
Court Administration Software - Upon successful completion of "go live" for Civil and Family Courts	$ 341,250	July 2009
CUC Texas County Enterprise Mods		
Hidalgo County Cost	$ 18,000	October 2008
CUC Oversight		
Quality Assurance and Contract Administration	$ 21,000	August 2008
Totals by Fiscal Year	$ 721,500	

As noted above, payments to Tyler Technologies for Implementation Services will be made directly to Tyler Technologies by Hidalgo County in accordance with the License Participation Agreement previously approved by the County and the Implementation Plan, after it is approved by Hidalgo County.

AI-11360 **19.G.1.**

Lease of Office Space in Las Milpas-WIC Clinic
CC REGULAR

Date: 09/30/2008
Submitted By: Sandra Montalvo, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** WIC

Information

CAPTION

Recommending award of bid and approval of contract document to the lowest bidder meeting all specifications and/ or terms and conditions as attached hereto for "Hidalgo County WIC Program-Lease of Office Space in Las Milpas-WIC Clinic" (Bid No. 2008-199-09-17-SMA)

BACKGROUND

Contract document has been sent to legal counsel for review as to form.

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1292-441-00-350-001-9-441
FUNDS AVAILABLE Y/N?: y **MATCHING FUNDS Y/N?:** y

BUDGETARY IMPACT:

Available balance as of 9/25/2008 - $700,000.00

Attachments

Link: contract, participation, tabulation, recommendation

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 12:17 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 02:55 PM	APRV
3	Damaris San Miguel	Damaris San Miguel	09/25/2008 03:35 PM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 02:41 PM	APRV
5	Dina Trevino		09/26/2008 06:03 PM	NEW

Form Started By: Sandra Montalvo Started On: 09/24/2008 02:18 PM

Final Approval Date: 09/26/2008

COUNTY of HIDALGO

To: Sandra Montalvo, Buyer
Hidalgo County Purchasing Department

From: Norma L. Longoria, WIC Director
Hidalgo County WIC Program

Date: September 18, 2008

RE: LAS MILPAS CLINIC 2008-199-09-17 SMA

Please award bid to Antonio Esparza for the rental lease space of Las Milpas WIC Clinic, 7013 S. Cage, Suite C, Pharr, Texas.

Thank you for your attention to this matter.

SEP 19 2008
CDC 4:18pm

PURCHASING DEPARTMENT
County Of Hidalgo

MEMORANDUM

TO: Norma Longoria, WIC Director
Hidalgo County WIC Program
Attn: Mague Gonzalez

FROM: Sandra Montalvo, Buyer
Hidalgo County Purchasing Department

DATE: September 18, 2008

RE: **Bid Award Recommendation Request for Bid No. 2008-199-09-17-SMA -HIDALGO COUNTY WIC PROGRAM-" Lease of Space in Las Milpas-WIC Clinic"**

We have received two (2) responses to the above referenced project. Please review and reply with your recommendation. We need to present your recommendation on the next Commissioner's Court Meeting; therefore, we would like to have your response on or before the following deadline.

Please indicate your recommendation or any concerns on the space provided below and reply to the Purchasing Dept. **via fax to (956)-318-2629 or (956) 292-7612 by no later than , Monday, September 22, 2008 @ 12:00 P.M. in order to place this item on the agenda for next Commissioners Court Meeting, Tuesday, September 30, 2008.**

If you should have any questions or need additional information please contact me at (956) 318-2626 x=4865

AWARD TO VENDOR(S):	RECOMMENDATION (BASIS)
Centro Espanol	909 for 3,080 sft = $2,772.00

BUDGET ACCOUNT #: 8-1292-441-00350-001-9-441

Norma L Longoria | Norma Longoria | 9/18/08

Authorized Signature | Printed Name | Date

HIDALGO COUNTY PURCHASING DEPARTMENT
PARTICIPATING BIDDER'S LOG
SPECIFICATIONS/BID PACKETS

RFB-RFP-RFQ

BID OPENING DATE: September 17, 2008 BID OPENING TIME: 9:30 A.M.
DEPARTMENT/BID DESCRIPTION:"HIDALGO COUNTY WIC Program-Lease of Office Space in Las Milpas-WIC Clinic"
BID NO.: 2008-199-09-17-SMA

NAME OF VENDOR: COMPANY/FIRM	BID REQUEST *VIA	SIGNATURE (IF APPLICABLE) OR INITIALS OF STAFF ADDRESSING MAIL OUT	DATE	ADDRESS & PHONE NO
1. City of Pharr Attn: Mr. Ozuna	BLM	Sandra Montalvo	09/02/08	420 N. Tower Rd. Alamo, Tx 78516 96-787-0006
2. GBB Rentals Attn: Enrique Garza	BLM	Sandra Montalvo	09/02/08	415 S. International Weslaco, Tx 78596 956-969-1644 office 956-969-2211 fax
3. Antonio Esparza, M.D. (Rentals) Attn: Irene	BLM	Sandra Montalvo	09/02/08	900 W. Sam Houston, Ste 1 Pharr, Tx 78577 956-783-1000 office 956-783-9679 (fax)
4. Laura Salinas	BLM	Sandra Montalvo	09/02/08	419 N. 12th Street Donna, Tx 78537 956-461-2851 office 956-464-7462 (fax)
5. Quality Medical Supply Attn: Armando	TR	Sandra Montalvo	09/02/08	805 N. Cage Blvd., Ste F Pharr, Tx 78577 Qualitymedicalsupply@yahoo.com
6. Ramiro Lopez Attn: Marcos Lopez	IP	Marcos Lopez	09/10/08	603 N. Jackson Rd. Edinburg, Tx 78541 956-496-5822 (cell) 956-292-0131 (fax) marcoslopez21@gmail.com

***VIA:**
IN PERSON (IP)
TELEPHONE REQUEST (TR)
BIDDER LIST MAIL OUT (BLM)
E-MAIL (EM)
FACSIMILE (FAX)

HIDALGO COUNTY PURCHASING DEPARTMENT
BID TABULATION SHEET

DEPARTMENT NAME: HIDALGO COUNTY WIC PROGRAM

BID OPENING DATE: September 17, 2008	**BID OPENING TIME: 9:30 A.M.**

DESCRIPTION OF BID: "LEASE OF OFFICE SPACE IN LAS MILPAS-WIC CLINIC "

BID NO: 2008-199-09-17-SMA			**BUYER: SANDRA MONTALVO**	
	NAME OF COMPANY	**PER SQ. FT. PRICE**	**TOTAL PRICE per month**	**ADDENDUM**
#1	Ramiro A. Lopez	$1.10	3,400 sq. ft. $3,740.00	√
#2	Antonio Esparza, M.D. Rentals-√	$.90	3,080 sq. ft $2,772.00	√
#3				
#4				
#5				
#6				
#7				
#8				
#9				

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

LEASE
C-08-199-09-30

THIS LEASE is made and entered into by and between, **Antonio Esparza, M.D. d/b/a Antonio Esparza, MD, Rentals.** of Hidalgo County, Texas, referred to in this Lease as Lessor, and **THE COUNTY OF HIDALGO**, referred to in this Lease as Lessee.

In consideration of the mutual covenants and agreements set forth in this Lease, and other good and valuable consideration, Lessor demises and leases to Lessee, and Lessee leases from Lessor that certain real property described on Exhibit "A" attached hereto. The premises leased hereunder are referred to in this Lease as "the Premises" or "the Leased Premises."

ARTICLE 1. TERM

Term of Lease

1.1 Except as otherwise herein provided, the term of this Lease shall be for a period beginning **October 19, 2008** and ending on **October 19, 2011**, with an option to extend for one (1) additional year. Lessee also reserves the right to continue this Lease for an additional sixty (60) day Grace Period, under the same rates terms and conditions.

Termination

1.2 Lessee may declare this Lease, and all rights and interest created by it, to be terminated without cause upon giving the Lessor thirty (30) days written notice. Upon a Lessee's electing to terminate, this Lease shall cease and come to an end as if the day of the termination party's election were the day originally fixed in the Lease for its expiration.

Lessor's Warranty of Quiet Enjoyment

1.3 Lessor covenants and agrees that Lessee on paying the rent and other charges herein provided for and observing and keeping the covenants, conditions, and terms of this Lease on Lessee's part to be kept or performed, shall lawfully and quietly hold, occupy, and enjoy the Leased Premises during the term of this Lease without hindrance or molestation of Lessor or any person claiming under Lessor except such portion of the Leased Premises, if any, as shall be taken under the power of eminent domain.

ARTICLE 2. RENT

Base Rent

2.1 Lessee agrees to pay to Lessor, during the term hereof, a monthly rental equal to **$2,772.00** per month. In the event the Commencement Date is a day other than the first day of the month, the rent for the period from the commencement date to the last day of the month shall be prorated by dividing the monthly rental by thirty days, and multiplying the result by the number of days remaining in the month that includes the Commencement Date.

Time and Manner of Payment

2.2 All rent due under this article shall be paid by Lessee on a monthly basis and in advance, on the 1st business day of each month commencing on the Commencement Date. All installments of rent shall be paid in lawful money of the United States to the Lessor at 3105 W. University, Edinburg, Texas 78539 or other such other location or locations as Lessor shall from time to time designate by written notice to Lessee. Any rent due for any partial month at the beginning or the end of the term hereof shall be prorated on the basis of a thirty day month.

Taxes

2.4 Lessor is responsible for rendering and paying all real estate taxes on the Property.

Lessee shall be responsible for taxes, if any, on lessee's personal property located on the Premises.

ARTICLE 3. USE OF PREMISES

Permitted Use

3.1 Lessee may use the premises for office space and for any other lawful purpose.

Waste, Nuisance, or Illegal Use

3.2 Lessee shall not use, or permit the use of, the Premises in any manner that results in waste of the Premises or constitutes a nuisance or violates any statute, ordinance, rule or regulation applicable to the premises or for any illegal purpose.

ARTICLE 4. REPAIRS AND MAINTENANCE

Lessee's Duty to Repair

4.1 Lessee shall be responsible for providing general janitorial service. Lessee shall be responsible for all repairs and maintenance in connection with damage to the Premises, and damage to fixtures and improvements resulting form negligent for willful acts of the Lessee, or the Lessee's employees, agents, licenses or invitees. In addition, Lessee shall repair all injury caused by the installation or removal of furniture, fixtures or property permitted under this Lease to be removed from the Leased Premises. All such repairs shall be made in a good, workmanlike manner using high quality materials.

Lessor's Duties to Repair

4.2 Lessor shall maintain the foundation, roof, plumbing, heating, ventilation and air conditioning systems ("HVAC") and structural integrity of the Leased Premises and shall make all such necessary repairs to the foundation, roof, plumbing, HVAC and structural integrity of the Leased Premises, except that Lessee shall make those repairs occasioned by Lessee's negligent use of the Leased Premises.

Additional Duties of Lessor

4.3 Lessor shall construct, repair and maintain the Leased Premises so that the Premises will have:

(1) Effective waterproofing and weather protection of the contents of the Leased Premises by watertight roof, exterior walls, windows, and doors.

(2) Plumbing facilities that conform to applicable law, maintained in good working order.

(3) A water supply approved under applicable law that is under the control of Lessee, capable of producing hot and cold running water, or a system that is under the control of Lessor that produces hot and cold u\running water furnished to Lessee and connected to a sewage disposal system conforming to applicable law.

(4) Heating, ventilation and air conditioning facilities conforming to applicable law which are more than adequate to heat, ventilate and air condition the improvements on the Leased Premises, and are maintained in good working order.

(5) Electrical lighting, with wiring and electrical equipment that conform to applicable law, maintained in good working order.

(6) Building, grounds, and appurtenances in every part clean, sanitary, and free from all accumulations of debris, and all areas under control of Lessor kept in every part clean, sanitary, and free from all accumulations of debris.

(7) Floor, stairways, and railings maintained in good repair.

Lessee's Right to Repair for Lessor

4.4 (a) If after Lessee's notice to Lessor of repairs or maintenance which Lessor has a duty to undertake, Lessor neglects to make such repairs within reasonable time following written notice from Lessee, Lessee may make the repairs itself. In such a case, Lessee may deduct the expenses of the repairs from further payment of rent.

(b) For purposes of this Section 4.4, if Lessor make repairs at least fifteen (15) days following the date of Lessee's notice to Lessor, it will be presumed to have act in a reasonable time.

ARTICLE 5. UTILITIES

Utility Charges

Lessee shall pay all utility charges used in and about the Leased Premises during the term of this Lease, all such charges to be paid by Lessee directly to the utility company or municipality furnishing the same, before the same shall become delinquent.

ARTICLE 6. ALTERATIONS, ADDITIONS, AND IMPROVEMENTS

Consent of Lessor

6.1 Lessee shall not make any alterations, additions, or improvements to the Leased Premises without the prior written consent of Lessor. Consent for nonstructural alterations, additions, or improvements shall not be unreasonably withheld by Lessor.

Property of Lessor

6.2 All alterations, additions, or improvements made by Lessee shall become the property of Lessor at the termination of this Lease. Lessor may, however, require that Lessee remove any or all alterations, additions, and improvements installed or made by Lessee, and any other property placed on

the Premises by Lessee, upon termination of the Lease. In the event that Lessor requires Lessee to remove such alterations, additions, or improvements, Lessee shall repair any damage to the Premises caused by such removal.

ARTICLE 7. SIGNS

Signs

7.1 Subject to the written approval of Lessor, and further subject to applicable laws, ordinances and regulations, Lessee shall have the right to install a sign on the Leased Premises. Lessee must remove all signs at the termination of this Lease and repair any damage resulting from the erection or removal of the signs.

ARTICLE 8. MECHANIC'S LIEN

Lessee will not permit any mechanic's lien or liens to be placed upon the Leased Premises or improvements on the Premises, and if such lien is claimed as a result of the acts of Lessee, will promptly pay the lien. If default in payment of the lien continues for twenty (20) days after written notice from Lessor Lessee, Lessor may, at its option, pay the lien or any portion of it without inquiry as to its validity. Any amounts paid by the Lessor to remove a mechanic's lien caused to be filed against the Premises or improvements on the Premises by Lessee, including expenses and interest, shall be due from Lessee to Lessor and shall be repaid to Lessor immediately on rendition of notice, together with interest at ten percent (10%) per annum until repaid.

ARTICLE 9. INSURANCE AND INDEMNITY

Property Insurance

9.1 Lessor shall, at its own expense, during the term of this Lease, keep all buildings and improvements on the Leased Premises insured against loss or damage by fire with extended coverage to include direct loss by windstorm, hail, explosion, riot, or riot attending a strike, civil commotion,

aircraft, vehicles, and smoke, in the aggregate amounts of not less than the full fair insurable value of the buildings and improvements. The insurance is to be carried by one or more insurance companies licensed to do business in Texas and approved by Lessee. The policies shall provide that any proceeds for loss or damage to buildings or to improvements shall be payable solely to Lessor, which sum Lessor shall use for repair and restoration purposes as provided herein. Lessee shall maintain all insurance on Lessee's personal property located within the Leased Premises and Lessee covenants and agrees that Lessor shall have no responsibility for damage or destruction of Lessee's personal property located within the Leased Premises.

General Liability Insurance

9.2 Lessee, at its own expense, shall provide and maintain in force during the term of this Lease liability insurance in the amounts deemed adequate by Lessor. Prior to occupancy of the Premises, Lessee shall provide Lessor with evidence of such insurance

Remedy for Failure to Provide Insurance

9.3 Lessor shall furnish Lessee with the original of all insurance policies required by this Article. If Lessor does not provide such policies or proof of such insurance within ten (10) days of the execution of this Lease, or if Lessor allows any insurance required under this Article to lapse after receipt of notice of cancellation or of non-renewal, or if Lessor fails to deliver proof of insurance showing coverage to Lessee prior to the effective date of such insurance and the original insurance policy within thirty (30) days thereafter, such failure shall be a default of Lessor under this Lease; or Lessee may, but shall not be required, to take out such insurance and pay the premiums on the necessary insurance to comply with Lessor's obligations under the provisions of this Article. Lessor agrees to reimburse Lessee all amounts spent by Lessee to procure and maintain such insurance within fifteen (15) days after demand from Lessor. Failure to pay such amount when due shall be a default of

Lessor under this Lease.

ARTICLE 10. DAMAGE OR DESTRUCTION OF PREMISES

Notice to Lessor

10.1 If the Leased Premises, or any structures or improvements on the Leased Premises, should be damaged or destroyed by fire, tornado, or other casualty, Lessee shall give immediate written notice of the damage or destruction to Lessor, including a description of the damage and, as far as known to Lessee, the cause of the damage.

Total Destruction

10.2 If the building on the Leased Premises should be totally destroyed by fire, tornado, or other casualty, or if it should be so damaged that rebuilding or repairs can not reasonably be completed within thirty (30) working Days from the date of the occurrence of the damage, this Lease, at the option of the Lessee, shall terminate and rent shall be abated for the unexpired portion of this Lease, effective as of the date of said occurrence.

Partial Damage or Destruction

10.3 If the Leased Premises should be damaged by fire, tornado, or other casualty, but not to such an extent that rebuilding or repairs can not reasonably be completed within thirty (30) working days from the date of the occurrence of the damage, this Lease shall not terminate, but Lessor shall, if the casualty has occurred prior to the final twelve (12) months of the lease term, at Lessor's sole cost and risk proceed forthwith to rebuild or repair the Leased Premises to substantially the condition in which they existed prior to such damage. If the casualty occurs during the final twelve (12) months of the lease term, Lessor shall not be required to rebuild or repair such damage and this Lease shall terminate and rent shall be abated for the unexpired portion of the Lease, effective as of the date of said occurrence. If the Leased Premises are to be rebuilt or repaired and are untenantable in whole or

in part following such damage, the rent payable hereunder during the period in which they are untenantable shall be adjusted equitably. In the working days from the date of the occurrence of the damage, Lessee may at its option terminate this Lease by written notification as such time to Lessor, whereon all rights and obligations hereunder shall cease.

ARTICLE 11. CONDEMNATION

Total Condemnation

11.1 If during the term of this Lease all of the Leased Premises should be taken for any public or quasi-public use under any governmental law, ordinance, or regulation, or by right of eminent domain, or should be sold to the condemning authority under threat of condemnation, the Lease shall terminate, and the rent shall be abated during the unexpired portion of this Lease, effective as of the date of the taking of the Premises by the condemning authority.

Partial Condemnation

11.2 If less than all, but more than ten percent (10%) of the Leased Premises is taken for any public or quasi-public use under any governmental law, ordinance, or regulation, or by right of eminent domain, or should be sold to the condemning authority under threat of condemnation, Lessee may terminate the Lease by giving written notice to Lessor within thirty (30) days after possession of the condemned portion is taken by the entity exercising the power of condemnation.

If the Leased Premises are partially condemned and Lessee fails to exercise the option to terminate the Lease under this section, or if less than ten percent (10%) of the Leased Premises are condemned, this Lease shall not terminate, but Lessor may, at its sole expense, restore and reconstruct the building and other improvements situated on the Leased Premises to make them reasonably tenantable and suitable for the uses for which the Premises are Leased. The rent payable under Sections 2.1 of this Lease shall be decreased equitably during the period of such restoration or

reconstruction.

Condemnation Award

11.3 Lessor and Lessee shall each be entitled to receive and retain such separate awards, and portions of lump sum awards, as may be allocated to their respective interest in any condemnation proceedings. The termination of this Lease shall not affect the rights of the respective parties to such awards.

ARTICLE 12. DEFAULT

Default by Lessee

12.1 If Lessee shall allow the rent to be in arrears more than ten (10) days after written notice of such delinquency, or shall remain in default under any other condition of this Lease for a period of fifteen (15) days after written notice from Lessor, Lessor may at its option, without notice to Lessee, terminate this Lease or, in the alternative, Lessor may re-enter and take possession of the Premises and remove all persons and property without being deemed guilty of any manner of trespass and relent the Premises, or any part of the Premises, for all or any part of the remainder of the Lease term, to a party satisfactory to Lessor and at such monthly rental as Lessor may with reasonable diligence be able to secure. Should Lessor be unable to relent after reasonable efforts to do so, or should such monthly rental be at a commercially reasonable rate which is less than the rental Lessee was obligated to pay under this Lease, or any renewal of this Lease, plus the expense of relating, then Lessee shall pay the amount of such deficiency plus reasonable attorney's fees to Lessor.

Default by Lessor

12.2 If Lessor defaults in the performance of any terms, covenants, or conditions required to be performed by it under this Lease, in addition to other remedies afforded Lessee under this Lease or at law, Lessee may, following reasonable Notice to and opportunity to cure by Lessor, elect to vacate

the Premises, in which case it shall be discharged from further payment of rent, the performance of all other terms and conditions of this Lease, and this Lease shall terminate as of the date Lessee vacates the Premises and any rental shall be abated for the unexpired term of this Lease.

Cumulative Remedies

12.3 All rights and remedies of Lessor and Lessee under this Article shall be cumulative, and none shall exclude any other right or remedy provided by law or by any other provision of this Lease. All such rights and remedies may be exercised and enforced concurrently and whenever, and as often, as occasion for their exercise arises.

Waiver of Breach

12.4 A waiver by either Lessor or Lessee of a breach of this Lease by the other party does not constitute a continuing waiver or a waiver of any subsequent breach of the Lease.

ARTICLE 13. ASSIGNMENT AND SUBLETTING

Assignment and Subletting by Lessee

13.1 Lessee may not sublet, assign, encumber, or otherwise transfer this Lease, or any right or interest in this Lease or in the Leased Premises or the improvements on the Leased Premises, without the written consent of Lessor. If Lessee sublets, assigns, encumbers, or otherwise transfers its rights or interest in this Lease or in the Leased Premises or the improvements on the Leased Premises, other than as specified herein, without the written consent of Lessor, Lessor may, at its option, declare this Lease terminated and Lessee and Lessor shall have no further obligation to each other under this Lease. In the event Lessor consents in writing to an assignment, sublease or other transfer of all or any of Lessee's rights under this Lease, the assignee or sublease must assume all of Lessee's obligations under this Lease, in which event Lessee shall be released from its obligations under the Lease. Lessor's consent under this section will not be arbitrarily or unreasonably withheld.

Assignment by Lessor

13.2 Lessor may assign or transfer any or all of its interests under the terms of this Lease.

ARTICLE 14. MISCELLANEOUS

Notices and Addresses

14.1 All notices required under this Lease will be deemed delivered when deposited in certified or registered mail, addressed to the proper party, at the following addresses:

Lessor:
Antonio Esparza, MD, Rentals
Attn: Antonio Esparza, MD
900 W. Sam Houston, Ste. 1
Pharr, Texas 78577

Lessee:
County of Hidalgo
Attn: County Judge
100 E. Cano, 2nd Floor
Edinburg, Texas 78540

Either party may change the address to which notices are to be sent it by giving the other party notice of the new address in the manner provided in this section.

Parties Bound

14.2 This agreement shall be binding upon, and inure to the benefit of, the parties to the Lease and their respective heirs, executors, administrators, legal representatives, successors and assigns when permitted by this agreement.

Texas Law to Apply

14.3 This agreement shall be construed under, and in accordance with, the laws of the State of Texas, and all obligations of the parties created by this Lease are performable in Hidalgo County, Texas.

Legal Construction

14.4 In case any one or more of the provisions contained in this agreement shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of the

agreement, and this agreement shall be construed as if the invalid, illegal, or unenforceable provision had never been included in the agreement.

Prior Agreements Superseded

14.5 This agreement constitutes the sole and only agreement of the parties to the agreement and supersedes any prior understandings or written or oral agreements between the parties respecting the subject matter of this agreement.

Amendment

14.6 No amendment, modification, or alteration of the terms of this agreement shall be binding unless it is in writing, dated subsequent to the date of this agreement, and duly executed by the parties to this agreement.

Rights and Remedies Cumulative

14.7 The rights and remedies provided by this lease agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive that party's right to use any or all other remedies. The rights and remedies provided in this Lease are in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

Attorneys' Fees and Costs

14.8 If, as a result of a breach of this agreement by either party, the other party employs an attorney or attorneys to enforce its rights under this Lease, then the breaching or defaulting party agrees to pay the other party the reasonable attorneys' fees and costs incurred to enforce the Lease.

Force Majeure

14.9 Neither Lessor nor Lessee shall be required to perform any term, conditions, or covenant in this Lease so long as such performance is delayed or prevented by force majeure, which shall mean acts of God, strikes, lockouts, material or labor restrictions by any governmental authority,

civil riot, floods, and any other cause not reasonably within the control of Lessor or Lessee and which by the exercise of due diligence Lessor or Lessee is unable, wholly or in part, to prevent or overcome.

Real Estate Commission and Finder's Fees

14.10 Neither Lessor nor Lessee has entered into any real estate commission or finder's fee agreements with any broker, agent or finder in respect of this transaction, and Lessor and Lessee each agree to indemnify and hold harmless the other from and against any and all claims, losses, damages, costs or expenses of any kind, or arrangement or understanding alleged to have been made by the indemnifying party or on its behalf with any broker, salesman or finder in connection with this Lease or the transactions contemplated hereby.

Estoppel Information

14.11 Lessee shall, at the request of Lessor, provide any and all information with respect to this Lease to any person designated by Lessor.

Time of Essence

14.12 Time is of the essence of this agreement.

THE UNDERSIGNED Lessor and Lessee execute this Lease on the _____day of_____,

2008.

LESSOR:

Antonio Esparza, MD, Rentals

By:_____

Printed Name:

Title:

ATTEST:

LESSEE:

HIDALGO COUNTY, TEXAS

_____
Arturo Guajardo, Jr., County Clerk

By:_____
Juan D. Salinas, III, County Judge

Approved on Commissioners' Court September 30, 2008

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

By:_____

EXHIBIT "A"

Legal Description

All of Lots 7, 8, 9 and 10 Block 1, UNIVERSAL ESTATES SUBDIVISION UNIT NO. 1, in Addition to the City of Pharr, Hidalgo County Texas, according to the map recorded in Volume 25, Page 46, Map Records in the Office of the County Clerks of Hidalgo County, Texas, reference to which is here made for all purposes.

EXHIBIT "A"

HIDALGO COUNTY WIC PROGRAM
"Lease of Office Space Las Milpas-WIC Clinic"
BID No.2008-199-09-17-SMA

INSTRUCTIONS TO BIDDERS:
These instructions apply to all offers made to Hidalgo County (herein referred to as "County") by all prospective vendors (herein after referred to as "Bidders") on behalf of Solicitations including, but not limited to the, invitation to bid.

- Please review this document in it's entirely. Be sure your bid is complete, and double check your bid for accuracy.
- Open records access to all information submitted. All information included will be open to the public, other bidders, media as per Open Records Act and not be confidential in nature. If you deem any information as confidential it should not be made part of the bid package.

SCOPE OF SERVICES: Building should be in good working condition to provide as follows:

SPECIFICATIONS:

1. Said office space shall have the designated rooms or areas for conducting of the following WIC functions:
   - Waiting area, reception area, file room, nutrition education classroom, counseling room, issuance of food cards via computers, computer area, screening room, lab, immunization and lactation rooms, a lounge area and two (2)storage rooms.
   - Said office space must be located in a major thoroughfare in Las Milpas.

2 Building must provide a minimum of 2,000 square feet to a maximum of 3,400 square feet of available tile floor space to perform WIC services. Building be well insulated with an ERA rating of minimum of eleven (11).

3. The building will meet all ADA accessibility requirements and shall be fully handicap accessible from all parking facilities.

4 Building premises must have handicapped accessible restroom facilities for both men and women and separate restroom facilities for employees.

5. The public parking lot must consist of at least twenty (30) parking spaces should be made available with at least two (2) designated handicap parking spaces, with ramp

access available from such spaces and (10) parking spaces for staff should be available leading to the building.

6. Bid premises must have water, sewer, and electricity, central air and heating of the entire building including garbage pick up.

7. Lessor will be responsible for electrical, air and cooling maintenance, also by keeping entire building free of mold at all times.

8. Building shall be safe from rodents & insects prior to occupancy by the WIC Program staff. Also be responsible and at Lessor's expense for pest control throughout term of this contract and floor maintenance throughout term of this contract/lease.

9. Lessor must provide documented proof that the building is asbestos free.

10. The complete space will be inspected by WIC Program Director, before lease contract is in place, in order to verify status and kind of business activity within the building.

11. Building should have a minimum of three (3) fire extinguishers or amount required by the City Fire Code under federal, state local and building codes and regulations. Floor area exits of exit access doorways must comply with the City Fire Code under federal, state and local building codes and regulations.

12. The floor plans of the building will be constructed according to the WIC Director. If present building needs renovations; the renovation work be made by Lessor and the Lessor's cost and work must be completed 90 days from the date of contract/lease award and execution of the contract/lease or the award will become void/null;

REQUIREMENTS:

The awarded bidder shall adhere to the following insurance requirements:

1. Certificates of insurance shall be submitted to WIC Office for approval prior to rental services being performed by Lessor hereunder. Bidder must maintain liability insurance on the building plus insure building for fire, accident and natural disaster, Also, bidder shall maintain liability insurance on the premises, as described and listed in: **Insurance Requirements: See Exhibit "C" attached**.

2. Property insurance policy shall provide that any proceeds for loss or damage to building or to improvements shall be payable solely to Lessor, which sum shall be used by Lessor's for repair and restoration purpose.

3. An existing building must be ready for occupancy with all specifications completed and in compliance with the Americans with Disabilities Act, (ADA) and 90 days from the date of awarding bid or the award will become void/null. Lessor must provide legal description of the property.

4. Bidder must charge by the square foot for the rental space.

TERMS & CONDITIONS:

1. The initial term of the contract/lease shall be for a period of three (3) years with the County's option to renew contract for one (1) additional year under the same rates, terms and conditions. Lease will have a sixty (60) day cancellation clause:

2.. Hidalgo County 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.

3. If a new building is to be constructed there should be a completion date of approximately one hundred and twenty (120) days from date bid was awarded. If completion date is not met, bid will become void/null.

4. After bid is awarded and successful awarded contractor defaults in meeting the general instructions to bidder(s) and/or in complying with the contract agreement, Hidalgo County reserves the right to seek the services of the next lowest bidder(s). In such event, Hidalgo County shall charge the successful bidder the difference for any additional cost to the County.

5. Hidalgo County reserves the right to hold bids for a period of sixty (90) days without taking any action.

6. Any contract awarded to a successful bidder will be in effect until:
   (a) The contract expires
   (b) Delivery and acceptance of products and/or performance of service ordered, or
   (c) Terminated by County with sixty (60) day's written notice prior to cancellation.

7. All cost and expenses associated with the preparation and submission of (bids proposals and/or quotes) shall be the responsibility of the bidder and not reimbursements for such charges or expenses shall be passed onto Hidalgo County.

8. Bidder must provide the legal description of the property along with your bid and include a proposed "floor plan layout" of your facility.

ADDITIONAL INFORMATION:

Hidalgo County is requesting that any and all questions, inquiries, and clarifications regarding quotes, bids, proposals, or statements of qualifications be addressed to, Martha L. Salazar, CPPB, Purchasing Agent, 2812 S. Business Hwy. 281, Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

ALL WRITTEN INQUIRIES WILL BE ACCEPTED VIA FACSIMILE TO (956) 292-7612 OR VIA E-MAIL TO sandra.montalvo@co.hidalgo.tx.us by NO LATER THAN WEDNESDAY, September 10 ,2008 @ 5:00 P.M. Responses will be sent to all applicants via facsimile or e-mail by no later than FRIDAY, September 12, 2008 @ 5:00 P.M.

EXHIBIT "B"

BID FORM

EXHIBIT "B"

HIDALGO COUNTY WIC PROGRAM
"Lease of Office Space in Las Milpas –WIC Clinic "
BID No.: 2008-199-09-17-SMA
BID FORM

Initial three (3) years term with an additional one (1) year-renewal:

Monthly charge for "Lease of Office Space in Las Milpas-WIC Clinic" as requested, but not limited to, in the specifications as listed in Exhibit "A" of this document and under the terms and conditions described for the initial three (3) years term with an additional one-year (1) renewal at the County's option to renew.

Price at $ 0.90¢ **per square foot.**

Proposed Building Total Quantity of 3,080 **sq. ft.**

TOTAL MONTHLY BID PRICE: $ 2,772.00 (two thousand seven hundred seventy two and 0/100 –)

Proposed (address) Location: 7013 S. Cage Ste. F **,Las Milpas**

Zip code 78577

BIDDER/COMPANY NAME: Antonio Esparza, M.D., Rentals

ADDRESS: 900 W. Sam Houston, ste 1

CITY: Pharr STATE: TX ZIP CODE: 78577

PHONE No: 956- 783- 1000 FAX No. 956- 783- 9679

AUTHORIZED SIGNATURE: _____

PRINTED NAME: Antonio Esparza, M.D.

TITLE: President - owner

EXHIBIT "C"

CERTIFICATE OF INSURANCE

ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID NO: ANTON-2

DATE (MM/DD/YYYY): 09/24/08

PRODUCER
Shepard Walton King Ins. Group
801 N. Main
P. O. Box 1630
McAllen TX 78505-1630
Phone: 956-682-2841 Fax: 956-630-4015

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
Antonio Esparza, M.D.
900 W. Sam Houston Ste 1
Pharr TX 78577-5232

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Safeco Insurance Co.	
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 LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY [X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [X] POLICY [ ] PRO-JECT [ ] LOC	02BP49031830	07/31/08	07/31/09	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1000000 $ 1000000 $ 10000 $ 1000000 $ 2000000 $ INCLUDED
		AUTOMOBILE LIABILITY [ ] ANY AUTO [ ] ALL OWNED AUTOS [ ] SCHEDULED AUTOS [ ] HIRED AUTOS [ ] NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ $ $ $
		GARAGE LIABILITY [ ] ANY AUTO				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EA ACC AGG	$ $ $
		EXCESS/UMBRELLA LIABILITY [ ] OCCUR [ ] CLAIMS MADE [ ] DEDUCTIBLE [ ] RETENTION $				EACH OCCURRENCE AGGREGATE	$ $
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ $ $
A		OTHER Property	02BP49031830	07/31/08	07/31/09	Building Contents	1,358,000 129,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
7013 S. Cage, Pharr, TX 78577 (Las Milpas)

CERTIFICATE HOLDER

HIDCOPD

County of Hidalgo
Purchasing Department
Marta L. Salazar
2812 S. Business Hwy 281
Edinburg TX 78539

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL _____ 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
SHEPARD WALTON KING INS. GROUP

© ACORD CORPORATION 19

AI-11424 **19.H.1.**

BCAP PCT NO 1 - Professional Engineer Contract
CC REGULAR

Date: 09/30/2008
Submitted By: Laura Moya, PURCHASING DEPT.
Department: PURCHASING DEPT.

Agenda Area: Purchasing Department **Purchasing only:** CAP Pct.1

Information

CAPTION

Presentation for discussion, consideration, and approval of final negotiated contract #C-CAP-08-014 for Professional Engineering Services with TEDSI Infrastructure Group, Inc. in connection with BCAP Round II projects.

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** fund 1311 dept 121 round II projects
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Various round II Colonia projects for Pct. 1. Please refer to attached expense report for funding availability as of 9-26-08.

Attachments

Link: Contract

Link: BCAP Pct. 1 Round II Expense Report

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 03:04 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 03:21 PM	APRV
3	Ivan Cantu	Ivan Cantu	09/26/2008 07:29 AM	APRV
4	Auditor's Office		09/26/2008 06:03 PM	NEW

Form Started By: Laura Moya Started On: 09/25/2008 02:50 PM

Final Approval Date: 09/26/2008

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

AGREEMENT FOR PROFESSIONAL SERVICES
C-CAP-08-014-_____-_____

THIS AGREEMENT is made effective the ____day of SEPTEMBER **2008**, by and between **HIDALGO COUNTY**, acting herein by and through the **Commissioner's Court**, hereinafter called the **"Owner"**, and **TEDSI INFRASTRUCTURE GROUP, Inc.,** professional engineers of Mission, Texas, hereinafter called the **"Engineer".**

WITNESSETH:

Whereas, the **Owner** desires to Contract with the **Engineer** to provide professional engineering services for Preliminary, Design and Construction Phase Services for the Texas Department of Transportation Border Colonia Access Funded Colonias Round II for **Hidalgo County Precinct No 1** (hereinafter referred to as the **"Project**).

NOW, THEREFORE, the **Owner** and the **Engineer** in consideration of the mutual covenants and agreements herein contained do mutually agree as follows:

ARTICLE 1. Employment of Engineer. The **Owner** agrees to employ the **Engineer** and the **Engineer** agrees to perform professional engineering services in connection with the **Project** as stated in the articles to follow, and for having rendered such services, the owner agrees to pay the **Engineer** compensation as stated in the articles to follow.

ARTICLE 2. Character and Extent of Services. This Agreement will provide for the development of the **Project** with the following:

2.1 Scope of Work For this Agreement, the professional services to be provided by the **Engineer**, are more particularly identified in **EXHIBIT "B"**, attached hereto.

2.2 Classification of Services The **Owner** will furnish items and provide those services for the

development of the **Project** and fulfillment of this Agreement, as identified in **EXHIBIT "A"** ***Services to be Provided by the Owner***, attached hereto and made a part of this Agreement.

ARTICLE 3. Period of Service. Upon execution of this Agreement, the **Engineer** shall proceed with the work outlined under Article 2 hereof.

3.1 Termination Date. This Agreement shall terminate at the close of business on **November 6, 2009** (hereinafter referred to as the "**Termination Date**"), unless extended by written supplemental agreement, as provided in Article 8 hereof, duly executed by the **Engineer** and the **Owner** prior to the **Termination Date**, or otherwise terminated as provided in Article 3.4 herein and below. The **Owner** assumes no liability or obligation for payment to the **Engineer** for work performed or costs incurred by the **Engineer** prior to the date authorized by the **Owner** for the **Engineer** to begin work, during periods when work is suspended, or subsequent to the **Termination Date.**

3.2 Extension of the Termination Date. The **Engineer** shall notify the **Owner** in writing as soon as possible if it is determined, or reasonably anticipated, that the work under this Agreement cannot be completed before the **Termination Date,** and the **Owner** may , at the **Owner's** sole discretion, extend the **Termination Date** by written supplemental agreement as provided in Article 8 hereof. The **Engineer** shall allow adequate time for review and approval by the **Owner** of the written notice and request by the **Engineer** to extend the **Termination Date.**

3.3 Suspension of Work. Should the **Owner** desire to suspend the work under this Agreement, but not terminate this Agreement, the **Owner** shall provide thirty (30) calendar days verbal notification to the **Engineer**, followed by written confirmation from the **Owner** to the **Engineer** to that effect. The thirty-day notice may be waived as agreed in writing by both the **Owner** and the **Engineer**. The work under this Agreement may be reinstated and resumed in full force and effect within sixty (60) days of receipt of written notice from the **Owner** to the **Engineer**. The sixty-day notice may be waived as agreed in writing by both the **Owner** and the **Engineer.**

If the **Owner** suspends the work, the **Termination Date** as identified above is not affected, and this

Agreement will terminate on the date specified, unless extended by written supplemental agreement, as provided in Article 8 hereof, duly executed by the **Engineer** and the **Owner** prior to the **Termination Date.**

3.4 **Termination of Agreement**. This Agreement may be terminated before the stated **Termination Date** identified in Article 3.1 herein by any of the following conditions:

(1) **Commitment of Current Revenues**. In the event that, during any term hereof, the **Owner** does not appropriate sufficient funds to meet to the obligations of this Agreement, the **Owner** may terminate this Agreement upon thirty (30) days written notice to the **Engineer.** The **Owner** agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of the **Owner** pursuant to the provisions of Tex. Loc. Govt. Code Ann. §271.903.

(2) By mutual agreement and consent, in writing, of both the **Engineer** and the **Owner**.

(3) By the **Owner,** upon failure of the **Engineer** to fulfill the **Engineer's** obligations set forth herein in a satisfactory manner as determined by the **Owner** and in sole opinion of the **Owner**, after the **Owner** provides written notice to the **Engineer** of such failure and the **Engineer** has not corrected such failure within (30) days of such written notice by the **Owner.**

(4) By the **Engineer**, upon failure of the **Owner** to fulfill the **Owner's** obligations set forth herein, after the **Engineer** provides written notice to the **Owner** of such failure and the **Owner** has not corrected such failure within thirty (30) days of such written notice by the **Engineer.**

(5) By the **Owner** without cause upon thirty (30) days written notice to the **Engineer.**

(6) By satisfactory completion of all services and obligations described herein.

Should the **Owner** terminate this Agreement as herein provided, no fees other than fees due and payable at the time of termination shall thereafter be paid to the **Engineer** notwithstanding anything herein to the contrary. In determining the value of the work performed by the **Engineer** prior to termination, the **Owner** shall be the sole judge of the value of such work performed. Compensation for work at termination will be based on a percentage of the work completed at that time. Should the **Owner** terminate this Agreement under (5) of the paragraph above, the amount charged during the thirty (30) day notice period shall not exceed the amount charged during the preceding ninety (90) days.

If the termination of this Agreement is due to the failure of the **Engineer** to fulfill the **Engineer's** obligations under this Agreement, the **Owner** may take over the Project and prosecute the work to completion. In such case, the **Engineer** shall be liable to the Owner for any additional cost occasioned by the Owner.

If the **Engineer** defaults in the performance of this Agreement or if the **Owner** terminates this Agreement for fault on the part of the **Engineer**, the **Owner** will give consideration to payment of an amount in settlement to include: the actual costs incurred by the **Engineer** in performing the work to the date of default, the amount of work required which was satisfactorily completed to date of default, the value of the work which is usable to the **Owner**, the cost to the **Owner** of employing another consultant and/or firm to complete the work required and the time required to do so, and other factors which affect the value to the **Owner** of the work performed at the time of default. This Agreement

shall not be considered as specifying the exclusive remedy for any default by the **Engineer,** but all remedies existing at law and in equity may be availed of by either party and shall be cumulative.

The termination of the Agreement and payment of an amount is settlement as prescribed above and shall extinguish all rights, duties, and obligations of the **Owner** and the **Engineer** under this Agreement, except the obligations set forth in Articles 11.2, 12, 13, 15, 16, 17, 18.3, 19, 22 and 26 hereto.

ARTICLE 4. Progress and Coordination. The **Engineer** shall, from time to time during the progress of the work, confer with the **Owner**. The **Engineer** shall prepare and present such information as may be pertinent and necessary, or as may be requested by the **Owner**, in order to evaluate features of the **Engineer's** services and work.

At the request of the **Owner** or the **Engineer**, conferences shall be provided at the **Engineer's** office, the office of the **Owner,** or at other locations designated by the **Owner.** These conferences shall also include evaluation of the **Engineer's** services and work when requested by the **Owner.**

All applicable study reports shall be submitted in preliminary form for approval by the **Owner** before the final report is issued. The **Owner's** comments regarding the **Engineer's** preliminary report will be addressed by the **Engineer** in the final report.

If funds by other agencies or entities are to be used for the development of the project under this Agreement, the **Engineer's** services and work will be subject to periodic review and approval by other agencies or entities, including those of the city, county, state and/or federal agencies.

Should it be determined that the progress in the production of the **Engineer's** services and work does not satisfy the requirements of the approved **Work Schedule** as provided by **Exhibit "C",** attached hereto, the **Owner** shall review the approved **Work Schedule** with the **Engineer** to determine

the corrective action needed by either the **Owner** or the **Engineer.**

The **Engineer** shall promptly advise the **Owner** in writing of events which have a significant impact upon the progress of the **Engineer's** services and work and the approved **Work Schedule**, including:

(1) problems, delays, adverse conditions which will materially affect the ability to attain Agreement objectives, prevent the meeting of time schedules and goals, or preclude the timely completion and submittal of **Project** deliverables by the **Engineer** within established time periods; this disclosure will be accompanied by a statement by the **Engineer** of recommended or immediate action taken, or contemplated, and any **Owner** or other agency or entity assistance needed to resolve the situation: and

(2) favorable developments or events which enable meeting the **Work Schedule** goals sooner than anticipated.

ARTICLE 5. Compensation and Fees. For and in consideration of the services identified in Article 2 and more partically described in Exhibit "B" attached hereto, the maximum amount payable by the Owner to the Engineer for services rendered by Engineer**,** subject to adjustment in accordance with Article 6.1 herein, will be provided in each Work Authorization issued. An outline and breakdown of the **Services Fee** is more particularly identified in **EXHIBIT "D1"-*Fee Breakdown***, attached hereto and made a part of this Agreement. Payments to the **Engineer** for ***Services*** shall be made by the **Owner**, upon presentation by the **Engineer** of the monthly **Request for Payment**, in accordance with the terms and provisions of Article 6 herein to be rendered by the Engineer, the Owner shall compensate the Engineer as follows:

5.1 ***Special Services***. Those services that may be required to be provided by the **Engineer** as ***Special Services*** are set forth below and more particularly described in **EXHIBIT "B"**, attached hereto. For and in consideration of these ***Special Services*** rendered as required by the **Engineer,** as required by the **Owner** shall pay the **Engineer** a negotiated lump sum fee (hereafter referred to as "**Special Services Fee**") at the hourly labor rates and non-labor rates (hereinafter referred to as "**Agreement Rates**") specified in **EXHIBIT "D"** - ***Agreement Rates***, attached hereto and made a part of this Agreement, and as follows:

1. RESIDENT OR SITE ENGINEER, INSPECTOR. Actual performance of services of project site engineer, resident engineer and/or inspector, if required by **Owner**.

2. DOCUMENT COPIES. Actual performance and/or providing of additional copies (over 10) pf report; additional copies (over 10) of plans (Agreement drawings), specifications and estimates (PS&E); additional copies (over 10) of bidding documents: additional copies (over 10) of as-built drawings.

3. EXTRA TRAVEL. Extra travel required of **Engineer** and authorized by **Owner** to points outside of Hidalgo County.

4. EXPERT WITNESS. Assistance to the **Owner** as expert witness in any litigation with third parties, arising from the development or construction of the **Project**.

5. MISCELLANEOUS. Investigations involving detailed consideration of operation, maintenance and overhead expenses and (unless otherwise agreed) the preparation of rate schedules, earning and expense statements; preparation of feasibility studies; environmental document preparation; appraisals, valuations, and material audits; or inventories required for certification of force account construction performed by the **Owner**; preparation of change orders for extra work done by the **Contractor.**

ARTICLE 6. Method of Payment.

6.1 Request for Payment. Payments to the **Engineer** for services rendered will be made while work is in progress as executed through a lump sum fee assigned to each work authorization (hereinafter referred to as **"Work Authorization"**) in accordance with Article 7 herein. For each **Work Authorization,** the **Engineer** shall prepare and submit to the **Owner** monthly progress reports

in sufficient detail to support the progress of the work and in support of a request for payment (hereinafter referred to as "**Request for Payment**"). The progress report shall indicate the percent completion of the work accomplished by the **Engineer** during the billing period and to the date of the **Request for Payment**. On or before noon of the first Monday of each month during the performance of the services, the **Engineer** shall submit to the **Owner** for approval a **Request for Payment**. Payment of the lump sum fee for each **Work Authorization** identified in the **Request for Payment** will be in proportion to the percent completion of the work tasks identified in such **Work Authorizations** together with a detailed breakdown of the amount and the sum of all prior payments. The **Owner** shall review each such **Request for Payment** and may make such exceptions as the **Owner** reasonably deems necessary or appropriate under the circumstances then existing. About ten (10) working days after the Commissioners Court of the **Owner** meets approving such payment, the **Owner** shall make payment to the **Engineer** in the amount approved as aforesaid subject to Article 6.4 herein and below.

If the **Project**, or any portion(s) thereof, are deleted or otherwise not constructed, compensation to the **Engineer** by the **Owner** for the **Project** or such portions of the project shall be only the amounts paid the **Engineer** for actual work performed in accordance with the **Work Authorization**(s) approved by the **Owner.**

6.2 Final Payment. After final completion of the work and acceptance thereof by the **Owner,** the **Engineer** shall submit a final request for payment (**"Final Request for Payment"**) which shall set forth all amounts due and remaining unpaid to the **Engineer** and upon approval thereof by the **Owner,** the **Owner** shall pay to the **Engineer** the amount due (**"Final Payment"**) under such **Final Request for Payment** in accordance with the provisions of Article 6. 1 hereof. The **Final Payment** shall not be

made until the **Engineer** delivers to the **Owner** an affidavit that so far as the **Engineer** has knowledge or information any and all amounts due for materials and services over which the **Engineer** has control have been paid.

6.3 Qualification on Obligations to Pay. Any provision hereof to the contrary notwithstanding, the **Owner** shall not be obligated to make any payment (whether a payment under Article 6.1 hereof or **Final Payment**) to the **Engineer** hereunder if any one or more of the following conditions precedent exist:

(1) The **Engineer** is in default of any of its obligations hereunder or otherwise is in default under this Agreement or under any Agreement documents related to this Agreement;

(2) Any part of such payment is attributable to the **Engineer's** services which are not performed in accordance with this Agreement; provided, however, such payment shall be made as to the part thereof attributable to the **Engineer's** services which were performed in accordance with this Agreement.

(3) The **Engineer** has failed to make payments promptly to consultants or other third parties used in connection with the **Project** for which the **Owner** has made payment to the **Engineer;**

(4) If the **Owner,** in good faith judgement, determines that the portion of the compensation then remaining unpaid will not be sufficient to complete the **Engineer's** services in accordance with this Agreement, no additional payments will be due the **Engineer** hereunder unless and until the **Engineer,** at its sole cost, performs a sufficient portion of the **Engineer's** services so that such portion of the compensation then remaining unpaid is determined by the **Owner** to be sufficient to so complete the **Engineer's** services.

6.4 No partial payment made hereunder shall be or construed to be final acceptance or approval of that part of the **Engineer's** services to which such partial payment related or relieves the **Engineer** of any of its obligations hereunder with respect thereto.

6.5 The **Engineer** shall promptly pay all bills for labor and material performed and furnished by others in connection with the performance of the **Engineer's** services.

6.6 Waiver. The making of the **Final Payment** shall constitute a waiver of all claims by the **Owner** except those arising from (1) faulty or defective services of the **Engineer** appearing after completion of the **Project.** (2) failure of the **Engineer's** services to comply with the requirements of this Agreement or any Agreements or Agreements related to the **Project**, or (3) terms of any special warranties required by this Agreement or provided at law or in equity. The acceptance of **Final Payment** shall constitute a waiver of all claims by the **Engineer** except those previously made in writing and identified by the **Engineer** as unsettled at the time of the **Final Request for Payment**.

ARTICLE 7. Work Authorization. After execution of this Agreement, the **Engineer** shall proceed with the work outlined under Article 2 hereof, only as authorized by the **Owner** through an agreed **Work Authorization** document in the form identified in **EXHIBIT "E"**- ***Work Authorization Form***, attached hereto and made a part of this Agreement. The **Engineer** will identify, as approved by the **Owner,** the needed services for the **Project,** as required through the course of the development to the **Project.** The **Owner** shall authorize the **Engineer** to perform one or more of the agreed tasks identified in **EXHIBIT "B",** attached hereto, in the form of individual work authorizations. Upon authorization from the **Owner,** the **Engineer** will prepare a **Work Authorization** document, which will include a description of the work to be performed, including a description of the tasks and milestones, a work schedule, and an estimated cost proposal agreed upon by the **Owner** and the **Engineer**. The estimated cost proposal shall set forth in detail the computation of the cost of each work task, at the hourly rates established and identified in **EXHIBIT "D",** attached hereto. The **Work Authorizations** shall not waive the **Owner's** and the **Engineer's** responsibilities and obligations established in this Agreement.

The estimated cost proposal for each **Work Authorization**, developed by the **Engineer** and

approved by the **Owner** shall be used by the **Owner** to appropriate a purchase order for the **Work Authorization.** Each executed **Work Authorization** shall become a part of this **Agreement**. Upon satisfactory completion of the **Work Authorization**, the **Engineer** shall submit the **Project's** deliverables as specified in the executed **Work Authorization** to the **Owner** for review and acceptance.

Work included in a **Work Authorization** shall not begin until the **Owner** and the **Engineer** have signed the **Work Authorization**. All work must be completed on or before the completion date specified in the **Work Authorization**, unless extended by written agreement by the **Engineer** and the **Owner.** The **Engineer** shall promptly notify the **Owner** of any event that will affect completion of the **Work Authorization.** All **Work Authorizations** must be executed and completed by both the **Engineer** and the **Owner** within the period established for this Agreement as specified in Article 3 hereof.

The final acceptance by the **Owner** of each **Work Authorization** for the **Project** shall serve as evidence of completion, on the part of the **Engineer,** of all services under this Agreement insofar as they pertain to that portion of work on the **Project** identified in the applicable work authorization.

ARTICLE 8. Supplemental Agreements. The terms of this Agreement may be amended by supplemental agreement if the Owner determines that (1) there is a need to extend the **Termination Date** identified in Article 3.1 hereof, (2) there has been a significant change in the scope, complexity or character of the services to be performed by the **Engineer,** and/or (3) for any other reason agreeable to the **Owner** and the Engineer. All supplemental agreements will be developed in the form identified in **EXHIBIT "F"** - ***Supplemental Agreement Form***, attached hereto and made a part of this

Agreement, and incorporated herein by reference as "**Supplemental Agreement".**

If determined appropriate by the **Owner,** additional compensation to the **Engineer** for (1), (2) and/or (3) above shall be paid as a negotiated lump sum fee at the **Agreement Rates** specified in **EXHIBIT "D"**, attached hereto. The negotiated lump sum fee shall be incorporated into the **Supplemental Agreement.**

Any **Supplemental Agreement** must be executed by both the **Engineer** and the **Owner** prior to the **Termination Date** specified in Article 3 hereof.

It is distinctly understood and agreed that no claim by the **Engineer** for additional work, as identified in Article 9 hereof, or changes or revisions in work, as identified in Article 10 hereof, shall be made by the **Engineer** until full execution of the **Supplemental Agreement** and authorization to proceed is granted by the **Owner**. The **Owner** reserves the right to withhold payment to the **Engineer** pending verification of satisfactory work performed by the **Engineer.**

Article 9. Additional Work. If the **Engineer** is of the opinion that any work it has been directed to perform is beyond the scope of this Agreement and constitutes extra work, the **Engineer** shall promptly notify the **Owner** in writing, In the event the **Owner** finds that such work does constitute extra work, the **Owner** shall so advise the **Engineer** and a written supplemental agreement will be executed between the **Owner** and the **Engineer** as provided herein. The **Engineer** shall not perform any proposed additional work or incur any additional cost prior to the execution by both the **Engineer** and the **Owner** of a supplemental agreement. Additional compensation from the **Owner** to the **Engineer** shall be paid as a negotiated lump sum fee at the Agreement Rates specified in **EXHIBIT "D"** attached hereto. The negotiated lump sum fee shall be incorporated into the supplemental agreement as specified in Article 8 hereof. The **Owner** shall not be liable or under any

obligation to compensate the **Engineer** for work performed or costs incurred by the **Engineer** relating to additional work not directly associated with the performance of the work authorized in this Agreement or as amended through supplemental agreement.

ARTICLE 10. Changes or Revisions in Work. If the **Owner** finds it necessary to request changes to the work, and the changes are within the applications of sound engineering principles, the **Engineer** shall make such revisions if requested and directed by the **Owner.**

10.1 Preliminary Work. The **Engineer** will make, without expense to the **Owner,** such revisions of any preliminary reports or drawings as may be required to meet the needs of the **Owner** and the applications of sound engineering principles.

10.2 Previously Approved or Satisfactorily Completed Work. If the **Owner** finds it necessary to request the **Engineer** to make changes to work previously approved by the **Owner** or work satisfactorily completed for which the **Owner** approves or, after a definite plan has been approved by the **Owner**, if a decision is subsequently made by the **Owner**, which for proper execution involves extra services and expenses for changes in or additions to the drawings specifications or other documents, this will be considered as additional work, and compensation from the **Owner** to the Engineer will be in accordance with Article 9 hereof.

10.3 Project Delays. If the **Engineer** is required to perform additional work due to delays by the imposition of causes not within the **Engineer's** control, such as by the re-advertisement of bids or by the delinquency or insolvency of Contractors, such work associated with these delays shall be considered additional work, and the **Engineer** shall be compensated by the **Owner** for such extra services and expense in accordance with Article 9 hereof.

10.4 Reduction of Project Cost. Notwithstanding any provision herein to the contrary, in the

event it is necessary for the **Owner** to require changes in the final plan of the **Project** to enable it to the reduce the construction cost of the **Project** to an amount within the sum estimated by the **Engineer,** the **Engineer** will be required to make such revisions or changes. These changes will only be considered additional work by the **Engineer,** if the **Engineer** previously provided these same changes as options to the **Owner** at the stage of preliminary work or prior to the approval of the final plan for the Project, and the option or options were not selected or approved by the **Owner** to be incorporated into the final plan of the Project. Payment for this additional work will then be made to the **Engineer** in accordance with Article 9 hereof. If **the Engineer** failed to provide these changes as an option or options to the **Owner** at the stage of preliminary work or prior to the approval of the final plan of the **Project**, these changes will not be considered additional work and no additional compensation will be made to the **Engineer.**

ARTICLE 11. Ownership and Release of Documents.

11.1 Ownership of Documents. Original drawings and specifications are the property of the **Engineer** however the **Project** is the property of the **Owner**, and the **Engineer** may not use the drawings and specifications thereof for any purpose not relating to the **Project** with the **Owner's** consent. The **Owner** shall be furnished with such reproductions of drawings and specifications as the **Owner** may reasonably require. Upon completion of the work or any earlier termination of this Agreement under Article 3.4 hereof, the **Engineer** will revise drawings to reflect changes made during construction and will promptly furnish the **Owner** with one complete set of reproducible record prints. Prints shall be furnished by the **Engineer,** as an additional service, at any other time requested by **Owner.** All such reproductions shall be the property of the **Owner** who may use them without the **Engineer's** permission for any proper purpose relating to the **Project,** including but not limited to additions to or completion of the **Project.** Any additions or revisions by the **Owner** to a drawing signed,

sealed, and dated by a registered professional engineer, shall be made in accordance with the Texas Engineering practice Act and the Rules of the State Board of Registration for Professional Engineers.

All documents furnished to the **Engineer** by the **Owner** shall be delivered to the **Owner** upon completion or termination of this Agreement. The **Engineer,** at the **Engineer's** own expense, may retain copies of such documents or any other data under this Agreement.

11.2 Release of Documents or Information. Release of information to the public or others regarding the **Project** will be accordance with the Texas Public Information Act.

ARTICLE 12 Discounts, Rebates, Refunds. In connection with procurement services rendered by the **Engineer,** if procurement services are required of the **Engineer** hereunder, all discounts, rebates and refunds shall accrue to the **Owner**. For some purchases, the **Engineer** may deem that payment within the discount period is not safe; and/or inspection, guarantees, or other considerations may dictate delay. In such cases, the **Engineer** shall promptly notify the **Owner** so that a course of action may be mutually agreed upon by the **Owner** and the **Engineer.**

ARTICLE 13. Records, Accounting, Inspection. The **Engineer** shall keep full and detailed records and accounts in a manner approved by the **Owner.** The **Engineer** shall afford the **Owner's** authorized personnel and independent auditors, if any, full access to the work performed by the **Engineer** regarding the **Project** and to all of the **Engineer's** books, records, correspondence, instructions, drawings, receipts, vouchers and other documents relating to such work under this Agreement and the **Engineer** shall preserve all such records for three (3) years after final payment. The **Engineer** shall deliver to the **Owner** upon completion of such work, a statement of the cost of such work detailed according to the accounting procedure and requirements of the **Owner.**

ARTICLE 14. Subcontracting and Assignment. The **Engineer** shall not assign,

subcontractor or transfer the **Engineer's** interest in this Agreement without the prior written consent of the **Owner.** The **Engineer** shall bind every subconsultant by written subcontract to observe all the terms of this Agreement to the extent that they may be applicable to each subconsultant. No subcontractor relieves the **Engineer** of any responsibilities under this Agreement.

The **Engineer,** and the **Owner,** do hereby bind themselves, their successors, executors, administrators and assigns to each other party of this Agreement and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this Agreement.

ARTICLE 15. Patents. The **Engineer** shall indemnify and save the **Owner** harmless from all liability for alleged or actual infringement of any patent resulting from the use of apparatus or equipment furnished or designed by the **Engineer** or from the use of any process designed by the **Engineer** or effected by said apparatus or equipment, and the **Engineer** shall indemnify and save the **Owner** harmless from and against all costs, legal fees, expenses and liabilities incurred in or about any claim of or action for such infringement: provided, however, that the **Owner** shall promptly transmit to the **Engineer** all papers served on the **Owner** in any suit involving such claim of infringement, and provided further, that the **Owner** permits the **Engineer** to have entire charge and control of the defense of any such suit. If because of actual infringement the use of such apparatus, equipment, or process is enjoined, the **Engineer** shall refund the purchase price thereof in proportion to the length of service uncompleted, the life of such apparatus or equipment being assumed as five years. The **Engineer** hereby grants to the **Owner** a non-exclusive, royalty-free license under patents now or hereafter owned by the **Engineer** covering any machines, apparatus, processes, articles, or products included in the **Engineer's** work hereunder.

ARTICLE 16. Confidential Information, Inventions and Other Restrictions.

16.1 Confidential Information. The **Engineer** shall not use in any way, commercial or otherwise, except to the extent required by the proper performance of this Agreement; and shall hold in confidence and not disclose to any person, for any reason or at any time, any information relating to the secret processes, products, compositions, machinery, apparatus or trade secrets of the **Owner**, or any other confidential information given to the **Engineer** by any of the **Owner's** commissioners, elected officials, employees, or representatives or acquired by the **Engineer** during the term of or as a result of this Agreement. Any information not generally available to the public shall be considered secret and confidential for the foregoing purposes; provided, however, that any technical information which was lawfully in the **Engineer's** possession prior to such disclosure to the **Engineer** by the **Owner** or which is or shall lawfully be published or become part of general knowledge from sources other than the **Engineer** or which otherwise shall lawfully become available to the **Engineer** from a source other than the **Owner**, shall not be subject to these provisions. All the foregoing stipulations shall apply to such information and work hereunder as well as to any information and ideas originated or developed by the **Engineer** in performing such work. Such information may, of course, be disclosed to the proper officials or employees of the **Owner** if necessary to perform the work hereunder. The **Engineer** shall, however, inform each of its employees who receive such information of these restrictions and the **Engineer** shall take all reasonable precautions and exert all reasonable efforts to assure conformance with such restrictions by all of its officers, employees, and agents, obtaining from them if necessary, agreements satisfactory to the **Owner,** effectuating the purposes of this Article.

16.2 Inventions. The **Engineer** shall communicate to the **Owner** at once, and require the **Engineer's** employees assigned to this **Project** to communicate to the **Owner** all inventions and

improvements which any of the **Engineer's** employees, either alone or in conjunction with any of the **Owner's** employees may conceive, make or discover during the course of or as a result of work on this **Project** under this or any ensuing agreement with the **Owner** that relates to the processes, products, compositions, machinery or plants of the **Owner**, or relating in any way to any of the operations in which the **Owner** may be obligated to pay to the **Engineer** as compensation for services rendered by the **Engineer** under Agreement with the **Owner**. The **Engineer** shall require its employees to execute patent applications and assignments thereof to the **Owner** or its nominees, and powers of attorney relating thereto for any country the **Owner** may designate, and shall take all other actions as the **Owner** may request to maintain and protect such inventions and improvements. The **Owner** shall pay all costs or charges incurred in protecting such inventions and improvements if the **Owner** desires to protect them. Before assigning any of the **Engineer's** employees to work under any Agreement with the **Owner** concerning this **Project,** the **Engineer** shall obtain from them agreements satisfactory to **Owner** complying in all respects with the terms and provisions of this Article.

16.3 The rights and obligations set forth in Article 16 shall survive the performance of this Agreement, or any termination, discharge or cancellation thereof

ARTICLE 17. Engineer's Seal, Responsibility and Warranties.

17.1 Engineer's Seal. The **Engineer** shall assign a responsible engineer or engineers licensed to practice in the State of Texas, who shall sign, seal and date all appropriate engineering submissions to the **Owner** in accordance with the Texas Engineering Practice Act and the Rules of the State Board of Registration for Professional Engineers.

17.2 Engineer's Responsibility. The **Engineer** shall be responsible for the accuracy of the work for the **Project** and shall promptly make necessary revisions or corrections resulting from errors,

omissions, or negligent acts by the **Engineer**. No additional compensation will be made to the **Engineer** for any necessary revisions or corrections resulting from errors, omissions, or negligent acts by the **Engineer.**

The **Engineer's** responsibility for all questions arising from design errors and/or omissions will be determined by the **Owner** or a designee appointed by the **Owner**. The **Engineer** will not be relieved of the responsibility for subsequent correction of any such errors or omissions or for clarification of any ambiguities until after the construction phase of the **Project** has been completed.

17.3 Warranties.

(a) The **Engineer** warrants that engineering design work performed by the **Engineer** hereunder shall be in accordance with sound engineering design practices and in conformance with applicable code and standards established for such work.

(b) Notwithstanding anything to the contrary contained in this Agreement, the **Owner** and the **Engineer** agree and acknowledge that the **Owner** is entering into this Agreement in reliance on the **Engineer's** experience and abilities with respect to performing the **Engineer's** services hereunder. The **Engineer** accepts the relationship of trust and confidence established between it and the **Owner** by this Agreement. The **Engineer** covenants with the **Owner** to use the **Engineer's** best efforts, skill, judgment and abilities to design the **Project** and to further the interests of the **Owner** in accordance with the **Owner's** requirements and procedures, in accordance with all professional standards, and in compliance with all applicable national, federal, state, county and municipal laws, regulations, codes, ordinances, orders and with those of any other body having jurisdiction. If the development of plans, specifications and estimates (hereinafter referred to as **"PS&E"**) are identified in this Agreement under Article 2 hereof or **EXHIBIT "B"**, attached hereto, as part of the services to

be provided by the **Engineer** for the **Project**, prior to the commencement of construction, the **Engineer** shall certify in writing to the **Owner** that the **PS&E** for the **Project**, and the improvements when built in accordance therewith, conform to all applicable governmental regulations, statutes and ordinances then in effect. The **Engineer** represents, covenants and agrees that there are no obligations, commitments or impediments of any kind that will limit or prevent performance of the **Engineer's** services.

(c) The **Engineer** represents, covenants and agrees that all of **Engineer's** services to be furnished by the **Engineer** under or pursuant to this Agreement form the inception of the Agreement until the **Project** has been fully completed, shall be of the standard and quality which prevail among engineers of similar experience, knowledge, skill and ability engaged in engineering practice throughout Texas under the same or similar circumstances involving the design and construction of **Project.**

(d) The **Engineer** represents, covenants and agrees that the **Engineer's** special talent, training and experience cause the **Engineer** to be the prime professional on the **Project;** that because of such talent and training, the **Engineer** envisions the construction of the **Project** in its entirely and possesses the special skills which enable the **Engineer** to recognize dangerous conditions that a reasonable, prudent engineer having such special skills could anticipate may arise from the proper use of the **Project** after acceptance by **Owner;** and that the **Engineer** recognizes that any commissioners, elected officials, employees and agents of the **Owner,** plus residents and owners of property within the area affected by the **Project** are within a class of foreseeable persons who will be relying on the project being designed in a professional and safe manner.

(e) If the development of **PS&E** is identified in this Agreement under Article 2 hereof or

EXHIBIT "B", attached hereto, as part of the services to be provided by the **Engineer** for the **Project,** the **Engineer** represents, covenants and agrees that the **PS&E** of the **Project** will be accurate and free from any material errors. The **Engineer** additionally represents, covenants and agrees to the following: that the design of the **Project** will conform to its foreseeable use as a **Project** with all the amenities as set forth in any **PS&E** developed by the **Engineer** for the **Project;** that the result of such **PS&E**, if built in accordance therewith, will be suitable for purposes for which the **Project** is designed; and the **Project** will be inspected in a workmanlike, professional manner and will be suitable for the **Project's** intended purpose. The **Engineer's** responsibilities as set forth herein shall at no time be in any way diminished by reason of any approval by the **Owner** of any **PS&E** developed by the **Engineer** for the **Project**, nor shall the **Engineer** be released from any liability by reason of such approval by the **Owner**, it being understood that the **Owner** at all times is ultimately relying upon the **Engineer**'s skill and knowledge in preparing such **PS&E.**

(f) In connection with the **Engineer**'s performance of procurement services hereunder, if any, the **Engineer** use its best efforts to obtain from all vendors of equipment and materials, fullest possible warranties against defective materials and workmanship for the benefit of the **Owner.**

ARTICLE 18. Engineer's Resources. The **Engineer** shall furnish and maintain, at the **Engineer's** own expense, office space for the performance of all services, skilled and sufficient personnel, as well as adequate and sufficient equipment to perform the services as required under this Agreement.

18.1 Project Manager. The **Engineer** shall provide a manager **(Project Manager)** for the **Project** that is a registered professional engineer in the State of Texas. The **Project** manager shall have such knowledge and experience as will enable that **Project Manager** during the course of the **Project**

without prior consent of the **Owner.** If, due to situations beyond the control of the **Engineer,** the **Engineer** must change the **Project Manager** prior to the completion and acceptance of the **Project,** the **Engineer** will submit a request to change the **Project Manager** to the **Owner** for approval.

18.2 Employees of the Engineer. All employees of the **Engineer** shall have such knowledge and experience as will enable them to perform the duties assigned to them and required for the services under this Agreement. Any employee of the **Engineer** who, in the opinion of the **Owner,** is incompetent, or whose conduct becomes detrimental to the work required under this Agreement, shall immediately be removed from association with the **Project** when so instructed by the **Owner.** The **Engineer** certifies that the **Engineer** presently has employed sufficient and qualified personnel, and will maintain sufficient and qualified personnel for performance of the services under this Agreement.

18.3 Documents/Information Exchange The purpose of this Article is to define the required automated resources, format for graphics files, and information exchange pertaining to the **Project.** Taking into consideration that the **Owner** has a significant investment is the development of the **Project,** there is a need for the **Engineer** to provide consistency in document development for information exchange. Consistency in document development for information exchange and production will help facilitate an economically efficient **Project**. Therefore, the **Engineer** shall provide the **Owner** with documents and information in accordance with the special requirement outlined in **EXHIBIT "B"** attached hereto.

ARTICLE 19. Indemnification. To the fullest extent permitted by applicable law, the **Engineer** and its agents, partners, subcontractors, and consultants (collectively **"Indemnitors"**) shall and do agree to indemnify, and hold harmless the **Owner**, the **Owner's** respective directors, elected officials, employees and agents (collectively **"Indemnitees"**) from and against all claims, damages,

losses, liens, causes of action, suits, judgments and expenses, including attorney fees, of any nature, kind or description (collectively "Liabilities") of any person or entity whomsoever arising out of, caused by or resulting from the negligent performance of the **Engineer's** services through activities of the **Engineer**, its agents, partners, subcontractors and/or consultants performed under this Agreement, and which are caused by or result from error, omission, or negligent act of the **Engineer** or of any person employed or Contracted by the **Engineer** provided that any such **Liabilities** (1) are attributable to bodily injury, personal injury, sickness, disease or death of any person, or to the injury to or destruction of tangible personal property including the loss of use and consequential damages resulting therefrom and (2) are caused in whole or in part by any negligent act or omission of the **Engineer,** anyone directly or indirectly employed by the **Engineer** or anyone for whose acts the **Engineer** may be legally liable. The **Engineer** shall also save harmless the **Owner** from any and all expense, including but not limited to, attorney fees which may be incurred by the **Owner** in litigation or otherwise resisting said claim or liabilities which may be imposed on the **Owner** as a result of such activities by the **Engineer,** its agents partners, subcontractors and/or consultants. In this connection, it is agreed and understood that the **Engineer** shall not be responsible for any portion of the liability proximately caused by the **Owner's** negligence.

ARTICLE 20. Joint and Several Liability. In the event more than one of the **Indemnitors** are connected with an accident or occurrence covered by the indemnification in Article 19 hereof, then each of such **Indemnitors** shall be jointly and severally responsible to the **Indemnitees** for indemnification and the ultimate responsibility among such **Indemnitors** for the loss and expense of any such indemnification shall be settled by separate proceedings and without jeopardy to any **Indemnitee**. The provisions of this Article shall not be construed to eliminate or reduce any other

indemnification or right which the **Owner** or any of the **Indemnitees** has by law.

ARTICLE 21 Insurance. The **Engineer** shall obtain and maintain insurance in the limits of liability for each of the types of insurance coverage identified as follows.

(1) Workers' Compensation, endorsed with a waiver of subrogation in favor of the **Owner** in accordance with the statutory obligations imposed by Worker's Compensation or Occupational Disease laws under the Texas Workers' Compensation Law (**"Statutory Texas"**)

(2) Commercial General Liability, endorsed with the **Owner** as an additional insured and endorsed with a waiver of subrogation in favor of the Owner *all to the extent of the liabilities assumed by the Engineer under Article 19 and Article 20* herein, in limits of liability not less than one million dollars (**$1,000,000**) combined single limit each occurrence and in the aggregate for bodily injury and property damage.

(1) Texas Business Automobile Policy, endorsed with the **Owner** as an additional insured and endorsed with a waiver of subrogation in favor of the **Owner** *all to the extent of the liabilities assumed by the Engineer under Article 19 and Article 20 herein*, in limits of liability not less than two hundred fifty thousand dollars (**$250,000**) each person for bodily injury, five hundred thousand dollars (**$500,000**) each occurrence for bodily injury, and one hundred thousand dollars (**$100,000**) each occurrence for property damage.

(2) Professional Liability in limits of **$1,000,000** each claim and aggregate.

The **Engineer** covenants and agrees to maintain an insurance policy in the minimum limits of

liability for each of the types of insurance coverage identified above. The **Engineer** shall furnish the **Owner** with a certificate of insurance (***Hidalgo County* Certificate of Insurance**) showing the said policy to be in full force and effect during the period of service, identified in Article 3 hereto, for this Agreement. The completed Hidalgo County Certificate of Insurance shall be attached hereto and identified as **EXHIBIT "G"- *Hidalgo County Certificate of Insurance.*** The **Engineer** will be considered in breach of Agreement should the **Engineer** fail to maintain an insurance policy in the minimum limits of liability and requirements identified above while performing services for and under this Agreement, and will be subject to default and termination of the Agreement as outlined in Article 3.4 hereto. Additionally, the **Engineer** covenants and agrees to use its best efforts to maintain an insurance policy in the minimum limits of liability and requirements identified above until one year following the date of the acceptance of the **Project** by **Owner.**

ARTICLE 22. Compliance with Laws. The **Engineer** shall comply with all applicable Federal, State and local laws, statutes, codes, ordinances, rules and regulations and the orders and decrees of any court, or administrative bodies or tribunals in any manner affecting the performance of this Agreement including, without limitation, worker's compensation laws, minimum and maximum salary and wage statutes and regulations and licensing laws and regulations. When required the **Engineer** shall furnish the **Owner** with satisfactory proof of its compliance therewith.

ARTICLE 23. Noncollusion. The **Engineer** warrants that the **Engineer** has not employed or retained any company or persons, other than a bona fide employee working solely for the **Engineer**, to solicit or secure this Agreement, and that the **Engineer** has not paid or agreed to pay any company, engineer or any other person or entity any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the award or execution of this Agreement. For breach

or violation of this warranty the **Owner** shall have the right to annul this Agreement without liability or, in the **Owner's** discretion, to deduct from the *Services Fee*, or otherwise recover, the full amount of each fee, commission, percentage, brokerage fee, gift or contingent fee.

ARTICLE 24. Gratuities. The **Owner** mandates that employees of the **Owner** shall not accept any benefits, gifts or favors from any person doing business or who reasonably speaking may do business with the **Owner** under this Agreement; the only exceptions allowed are ordinary business meals. Any person doing business with or who may reasonably seeking to do business with the **Owner** under this Agreement may not make any offer of benefits, gifts or favors to **Owner** employees, except as mentioned herein above. Failure on the part of the **Engineer** to adhere to this provision may result in the termination of this Agreement.

ARTICLE 25. Payment of Franchise Tax. The **Engineer** hereby certifies that the **Engineer** is not delinquent in Texas franchise tax payments, or that the **Engineer** is exempt from, or not subject to, such as tax. A false statement concerning corporation's franchise tax status shall constitute grounds for termination of the Agreement at the sole option of the **Owner.**

ARTICLE 26. Disputes. The **Engineer** shall be responsible for the settlement of all Contractual and administrative issues arising out of any procurement made by the **Engineer** in support of the services under this Agreement.

ARTICLE 27. Severability. In the event 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.

ARTICLE 28. Notices. All notices to either party by the other required under this Agreement

shall be personally delivered or mailed to such party at the following respective addresses:

OWNER:	**ENGINEER:**
Hidalgo County	**TEDSI INFRASTRUCTURE GROUP, Inc.**
Attn: Agapito Vargas	**ATTN: Mark Lupher**
301 East State Street	**1201 E EX PRESSWAY 83**
Pharr, Texas 78577	**Mission, Texas 78572**

The Address may be changed by either party by written notice, and notice so mailed shall be effective upon mailing.

ARTICLE 29. Miscellaneous Provisions.

(a) This Agreement constitutes the entire Agreement between the **Engineer** and the **Owner** relating to the work herein described and supersedes any prior understanding or written or oral Agreements between the parties respecting the subject matter defined herein. These are no previous or contemporary representations or warranties of the **Owner** or the **Engineer** not set forth herein.

(b) Except as specifically provided herein no modification, waiver, termination, rescission, discharge or cancellation of this Agreement or of any terms thereof shall be binding on the **Owner** unless in writing and executed by an officer or employee of the **Owner** specifically authorized to do so.

(c) No waiver of any provision of or a default under this Agreement shall affect the right of the **Owner** thereafter to enforce said provision or to exercise any right or remedy in the event of any other default whether or not similar.

(d) No modification, waiver, termination, discharge or cancellation of this Agreement or of any terms thereof shall impair the **Owner's** right with respect to any liabilities whether or not liquidated of the **Engineer** to the **Owner** theretofore accrued.

(e) All rights and remedies of the **Owner** specified in this Agreement are in addition to the Owner's other rights and remedies.

(f) The **Engineer** shall remain an independent Contractor and shall have no power nor shall the

express or implied on behalf of the **Owner** except as specifically authorized in advance by the **Owner.**

(g) The Agreement shall be construed under the laws of the State of Texas and is performable in Hidalgo County, Texas.

(h) This Agreement may only be amended by a written document executed by the Owner and the **Engineer** as provided by Article 8 herein.

ARTICLE 30. Signatory Warranty The undersigned signatory or signatories for the **Engineer** hereby represent and warrant that the signatory is an officer of the organization for which he or she has executed this Agreement and that he or she has full and complete authority to enter into this Agreement on behalf of the **Engineer.** The above-stated representations and warranties are made for the purpose of inducing the **Owner** to enter into this Agreement.

IN WITNESS WHEREOF, the **Engineer** and the **Owner** have caused this **Agreement for Professional Services** to be effective as of the _____ day of _____, 200**8**.

ENGINEER: TESDI INFRASTRUCTURE GROUP

BY:_____
Mark W. Lupher, P.E., RPLS, CFM Principal

OWNER:
HIDALGO COUNTY

BY:_____
Juan D. Salinas, III, County Judge

ATTEST:

_____
Arturo Guajardo, Jr., Hidalgo County Clerk

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

By:_____

ATTACHMENTS:

EXHIBIT A	- Scope of Services to be Provided by the Owner
EXHIBIT B	- Scope of Services to be provided by the Engineer
EXHIBIT C	- Work Schedule
EXHIBIT D	- Engineer's Agreement Rates
EXHIBIT D1	- Fee Breakdown
EXHIBIT E	- Work Authorization Form
EXHIBIT F	- Supplemental Agreement Form
EXHIBIT G	- Certificate of Insurance (*Hidalgo County)*

EXHIBIT "A"

Services to be Provided by County

The following provides an outline of the services to be provided by the Owner in the development of Project (as defined and more particularly identified in Exhibit "A" attached to this Agreement).

General

The Owner will provide to the Engineer the following:

1) Authorization to the Engineer to begin work.
2) Payment for work performed by the engineer.
3) Assistance to the Engineer, as necessary, to obtain required data and information from other local, regional, and state agencies that the Engineer cannot easily obtain.
4) Provide any available relevant data that may be on file concerning the Project.
5) Provide timely review and decisions in response to the Engineers request for information and/or submittals and deliverables.
6) Attend and participate in progress meetings as required and as coordinated and conducted by the Engineer.
7) Advertise and award, as assisted and recommendation by the Engineer, construction Agreements for the PS&E developed by the Engineer.
8) Attend pre-bid and pre-construction conferences coordinated and conducted by the Engineer.
9) Review and approve monthly and final estimates, developed by the Engineer, for payment to the Contractor. Compensation and pay the Agreements for work performed as identified in the approved monthly and final estimates.
10) Provide assistance to Engineer where necessary and possible with Owner information/resources to ensure project is completed within timely/efficient basis.
11) Provide Engineer with Geotechnical Data of existing pavement thickness.

Exhibit "B"

Services to be Provided by Engineer

The work to be furnished by the Engineer shall consist of management and engineering services for improvements in Hidalgo County Colonias Round II approved by the State of Texas under the Second Call of Proposition Two funding. The work shall be developed in accordance with the Owner, TXDOT, and applicable design standards and in a format acceptable to the owner, and reviewing agencies.

The Engineer shall render specific management and engineering services for the development of the Project and fulfillment of this Agreement as follows:

I. PRELIMINARY PHASE – GENERAL PROJECT MANGEMENT AND ADMINISTRATION

II. DESIGN PHASE – FINAL DESIGN AND PLANS, SPECIFICATIONS, AND ESTIMATES (PS&E) FOR COLONIA ACCESS

III. CONSTRUTION PHASE – CONSTRUCTION MANGEMENT & SUPPORT & INSPECTIONS

I. PRELIMINARY PHASE SERVICES

GENERAL PROJECT MANGEMENT

Services for GENERAL PROJECT MANAGEMENT by the Engineer will include the following:

1. Project/Program Schedule. See Exhibit "C".

2. Coordination/Meetings. The Owner may require the Engineer to attend local public hearings, policy meetings and upon request attend Owner staff meetings. The Engineer shall assist the Owner, as requested, at meetings with the Texas Department of Transportation (TXDOT), or other necessary entities.

Planning & Assessment

The Engineer will provide the following:

1. Review, verify and gather data necessary to proceed with design of approved TXD OT Colonia Projects.

2. Perform interviews and each Precinct County Commissioner and staff to identify "present day" complaints, roadway and drainage histories and preliminary design information for the approved projects.

3. Obtain geotechnical data for pavement designs; determine subsurface conditions.

4. Develop pavement designs, including cost data, pavement material properties, and pavement drainage.

5. Identify preliminary alignments; develop typical sections.

6. Develop hydraulic design criteria in accordance with Hidalgo County/Local Municipal or TXDOT guidelines.

7. Verify FEMA FIRM zones and requirements.

8. Develop basic schematic layout of improvement to determine right of way requirements.

Environmental Document Preparation and Public Comment

Provide Owner assistance in gathering data necessary to complete the Environmental Review Record format established by Owner to satisfy TXDOT environmental requirements.

Right of Way Data

The Engineer shall provide utility and the right of way data for each approved individual project as follows:

Utility Coordination/Inventory

1) The Engineer will develop utility layout sheets from schematics and incorporate utility information; identify existing overhead and above ground utilities; identify all existing underground utilities; document all information on utility layout sheets; identify potential conflicts. The layout sheets will be reproducible drawings (11"x17") with the following information.

    a) Existing and/or proposed right of way lines
    b) Benchmark data
    c) Existing and proposed drainage system(s)
    d) Location and size of utility (plan/profile view)
    e) Limits of existing casing pipe
    f) Name of the owner/company

2) The Engineer will coordinate utility adjustments with Owner and all affected utility owners as necessary.

Field Survey

The Engineer will provide the following:

1) Vertical and Horizontal Control. Establish and stake the Project control centerline (baselines) and offset for the Project or portions of the Project. Establish vertical control by looping all benchmark (BM) circuits and tie to monument permanent BM elevation. BM's are to be set at 1,000 ft maximum intervals using Global Positioning System (GPS) survey, and in a location that will be undisturbed by future construction.

2) Topography. Obtain topographic information surveyed for the length of the control centerline, as required; provide location (station and offset), size, height, and depth and/or length and description of topographic features; to include, but not limited to the following: driveways, signs, light poles, mail boxes, all fences (including metal beam guard fence and turndowns), utilities (type, owner, location, and depth), riprap, existing right of way lines, private property lines, cou7nty and/or city limits, etc...Drainage elements to include:

3) Design Centerline. Establish and stake the design centerline.

Right of Way Map

Provide for the preparation of a project right-of-way map where right of way acquisition is necessary. Provide for the necessary right-or-way research, mapping, surveying and all services related to the development of a right-of-way map. Prepared parcel sketches and field notes of all parcels requiring acquisition. Revisions to be done promptly at no cost to the owner.

II. DESIGN PHASE SERVICES

Final Design and Plans, Specifications & Estimates

The Engineer will develop the final design and prepare Agreement drawings, specifications and estimates for construction of the Project or portions of the Project as authorized by the Owner. These documents will be submitted to the applicable city, county, state, and/or federal agencies for approval.

All final plan sheets will be developed by the Engineer on 11"x17" reproducible, 4 mil, double-matte, white, opaque film.

Recognizing that there will be several team members participating in the development of the overall Project, and taking into consideration that the Owner has a significant investment in the development of the Project, there is need for consistency in document development for the purpose of review and production to help facilitate and economically efficient product. All computer document files furnished to the Owner by the Engineer shall be furnished on a CD-ROM created utilizing DOS software. Retrieval documentation relating to file storage on the designated delivery media shall be prepared by the Engineer and provide to the Owner. It is the intent of the Engineer and this Agreement to secure computer files from all Project Team members that are composed of elements of the same precision, integrity, singularity, attributes.

The Engineer shall prepare graphic files that can be reviewed and plotted utilizing

Microstation/AutoCAD, software. The graphic files submitted must be compatible with Microstation Cad System without conversion or modification and must plot consistent with reproducible plots submitted.

Plan Sheets. Plan sheets developed by the Engineer will include, but not limited to, title sheet, typical sections, sequence of construction, estimates and quantity, plan-profile, channel details, roadway details, bridge and culvert details, hydraulic details, and standards.

Specifications. The Engineer shall use the June 1, 2004 Texas Department of Transportation Standard Specifications for Construction and Maintenance of Highways, Streets, and Bridges. Other specifications may be developed by the Engineer, but must incorporate, reference to standard TXDOT requirements of design & testing procedures and Hidalgo County Subdivision Required Standards.

Estimates. The Engineer will prepare detailed cost estimates and proposals of authorized construction, which will include summaries of bid items and quantities based on the unit price system of bidding.

All plots and graphic media provided by the Engineer, as a result of this Agreement, shall be delivered to the Owner. Final payment for plan sheet documents and/or associated, applicable engineer files will not be made until the files furnished by the Engineer have been demonstrated to be useable in the formats described above and herein.

Service for FINAL DESIGN AND PLANS, SPECIFICATIONS AND ESTIMATES by the Engineer will include the following:

Roadway Design Controls

The Engineer will prepare the roadway design for the Project or portions of the Project as authorized by the Owner. The roadway design will be submitted to the applicable city, county, state, and/or federal agencies for approval.

Roadway design controls will include:

1) Geometric Design – horizontal and vertical alignments, intersection geometrics: to be incorporated onto plan and profile sheets.
2) Geometric and grading design – development of typical roadway sections through horizontal and vertical alignment determination and roadway cross sections.
3) Grading design – existing and design cross sections, cut/fill quantities, slope stability analysis, embankment foundation stability and settlement analysis.
4) Earthwork Quantities – obtained from grading design.
5) Miscellaneous supplemental plan details.

Drainage

The Engineer will perform final hydrologic/hydraulic analysis and design for the proposed

improvements of the Project or portions of the Project as authorized by the Owner.

Signing

The Engineer will determine location and type of warning, regulatory and guide signs as required by the Hidalgo County Subdivision Standards or local Municipal standards as applicable. All signing design will be based on the final proposed roadway design.

Permanent Pavement Markings

The Engineer with the Owner will evaluate the need for pavement markings and design all permanent pavements markings in accordance with the Hidalgo County Subdivision Standard or Local Municipal Standards as applicable. All such design will be based on the final proposed roadway design.

Miscellaneous

If required for the Project or portion of the Project approved by the Owner, the Engineer will provide the following miscellaneous roadway items:

Miscellaneous Drafting, Standards, and Details

1. The Engineer will prepare a title sheet indicating, at a minimum, project limits, project location map, name of owner and owner acknowledgment/acceptance, facility identification, specification reference, Engineer's seal, signature and date.

2. The Engineer will determine appropriate standard drawings to be incorporated into the plans, and sign/seal any modifications to any agency or industry approved standards.

3. The Engineer will develop any details to clarify any construction requirements of the plan drawings.

PS&E Supporting Documents

4. Specifications List and general Notes. The Engineer will prepare an applicable specifications list, in TXDOT format, as well as any general notes that may be applicable to each PS&E submission.

5. Estimates. The Engineer will prepare detailed cost estimates and proposals of authorized construction, which will include summaries of bid items and quantities based, insofar as practicable, on the unit price system of bidding.

6. Agreement Time Determination Statement. The Engineer will determine the time required for construction for the project, outlining phases of construction and appropriate rates of production and construction for bid items determined to be in the critical path for construction of the PS&E submittal.

7. Additional documents. Right of Way Certification letter, material testing and sampling table.

III. CONSTRUCTION PHASE SERVICE

Construction Management and Support

The Engineer will provide engineering and support services for and during the construction of the Project or portions of the Project approved by the Owner. Specific services for CONSTRUCTION MANAGEMENT AND SUPPORT by the Engineer will include the following:

Construction Bidding

1. The Engineer will furnish to the Owner the necessary copies of approved plans, specifications, notices to bidders, and proposals as prepared under PS&E.

2. The Engineer will coordinate and conduct a Pre-Bid Conference for prospective bidders.

3. The Engineer will assist Owner the tabulation of bids, recommendations to the Owner as to the proper action on all bid proposals received, and the preparation of form Agreement documents for the award of each construction Agreement.

Construction Agreement Administration

4. In general, the Engineer will provide the management and engineering support/data required for consultation and advertisement to the Owner and act as the Owners representative as provided in the General Condition of the Construction Agreement.

5. The Engineer will coordinate and conduct a pre-construction conference.

6. Defects and Deficiencies. The Engineer will use his best efforts to protect the Owner against defects and deficiencies in the work of the Contractor. The Engineer will promptly notify the Owner of any such defect of deficiency, and take all steps possible to require the Contractor to correct the defect or deficiency.

7. Contractor Payment. The Engineer will take measurements and calculate quantities, in accordance with the construction Agreement specifications, of those items of work accepted and conforming to the construction Agreement specifications, for the preparation of the monthly and final estimates for payment to the Contractor.

8. The Engineer will provide Project site inspection of the authorized construction Agreement(s) as follows:
    a. Project Engineer. The Engineer will provide visits by the Project Engineer or a competent representative of the Engineer to the site of construction for the purpose of monitoring the Contractor's progress and conformance to the construction plans and

specifications.

b. Resident Engineer and/or Construction Inspector(s). The Owner may request the Engineer to furnish the service of a Resident Engineer and/or Construction Inspector(s) for continuous on the site inspection construction to the monitor/inspect the Contractor's daily progress and conformance to PS&E specifications. See Article 5 for special services compensation details.

Miscellaneous Technical Activities

9. Shop Drawings. The Engineer will review and check all shop or working drawings furnished by the Contractor.

10. Control of Materials & Equipment. The Engineer will provide inspection of all materials and equipment furnished/used by the Contractor as follows:

    a. Review and record all laboratory, shop and mill tests of materials and equipment for compliance with the construction Agreement specifications.

    b. Observe and/or perform Project record testing and/or independent assurance testing as outlined in the construction Agreement specifications.

11. Change Orders. When applicable the Engineer will prepare the engineering data, including plan sheet drawings, specifications, and estimates, for the preparation of construction Agreement change orders, which may be required due to actual field conditions encountered or new requirements directed by the Owner.

12. As Built Drawings. The Engineer will develop as built drawings to depict the work as actually constructed. The Owner will be furnished five (5) set of prints.

EXHIBIT "C"

Work Schedule

A detailed work schedule for each **Work Authorization**, identified and more particularly described in Article 7 of this Agreement, shall be prepared by the **Engineer** to be submitted and approved by the Owner in writing for each **Work Authorization**. The work schedule will provide specific work sequence and definite review times by the **Owner** and the **Engineer** of the work performed.

The **Engineer** will diligently pursue the completion of each **Work Authorization** as defined by the milestone and deliverable due dates outlined in each **Work Authorization's** associated work schedule.

The **Engineer** will inform the **Owner** (in reasonable advance of the delay) should the **Engineer** encounter delays that would prevent the performance of all work in accordance with the established work schedule.

EXHIBIT "D"

Engineers Agreement Rates

HIDALGO COUNTY BORDER COLONIA ACCESS PROGRAM ROUND II

LABOR

Job Description Engineering	Base Rate	Contract Rate
Sr. Project Manager	$67.31	**$235.59**
Project Engineer	$61.00	**$213.50**
Traffic Engineer	$59.00	**$206.50**
Engineering Designer	$31.25	**$109.38**
CADD Technician	$29.00	**$101.50**
Project Administrator	$26.25	**$91.88**
Clerical	$23.50	**$82.25**

NON-LABOR***

Mileage	$0.60 /Mile
Car Rental	****
Lodging (in state)	****
Meals	****
Air Travel	at cost
Overnight Carrier cost	$20/letter
GPS Equipment	$500/day
Copies	$.10/ea
Bond Plots	$0.75/sq.ft.
Color Plots	$1.50/sq.ft.
Mylar Plots	$1.60/sq.ft.

EXHIBIT "D1"

Fee Breakdown

For and in consideration of the Services attached to this Agreement and to be rendered by the Engineer, the Owner shall pay the Engineer the Fee as defined in Article 5.1 of this Agreement, and as more particularly identified as follows:

Basic Services Fee	=	**$10,997.71**
Phase III	=	100% of the **Service Fee**

EXHIBIT "E"

HIDALGO COUNTY
Professional Engineering Services
Agreement #C-CAP-08-014-00-00
Work Authorization Form

WORK AUTHORIZATION NO. ___

THIS WORK AUTHORIZATION is made pursuant to the terms and conditions of Section I.A. of the Agreement made by and between **HIDALGO COUNTY**, action herein by and through the **Commissioner's Court**, hereinafter called the "**Owner**," and, _____ professional engineers of_____ Texas, hereinafter called "**Engineer**".

PART 1. SCOPE OF WORK

The purpose of this Work Authorization is for the **Engineer** to provide_____.

The scope of services to be provided by the **Owner** is identified in ***EXHIBIT "A" – Scope of Services to be Provided by the Owner*** attached hereto.

The scope of services to be provided by the **Engineer** is identified in ***EXHIBIT "B" – Scope of Services to be Provided by the Engineer*** attached hereto.

PART 2. ESTIMATED COST

The estimated cost for services under this Work Authorization is _____.This amount is based upon the costs outlined in the Estimated **Cost Proposal** attached hereto as **EXHIBIT "D".**

PART 3. PAYMENT

Compensation and payment to the Engineer for the services established under this Work Authorization shall be made in accordance with Article/Part/Section _____ of the Agreement.

PART 4. FUNDING

This Work Authorization No.__ shall be funded through funding source:
Account No. _-_ _ _ _-_ _ _-_ _-_ _ _ _-_ _ _-_ _-_ _ _
Requisition Number _____ **(MUST BE INCLUDED AFTER CC APPROVAL)**

PART 5. PERIOD OF SERVICE

This Work Authorization shall become effective on the date of final acceptance of the parties hereto, and terminate upon completion of scopes of the work authorization or (DATE).

PART 6. RESPONSIBILITIES AND OBLIGATIONS
This Authorization does not waive the parties' responsibilities and obligations provided under the **Agreement**.

PART 7. **ACKNOWLEDGEMENT AND CONFIRMATION**
Acknowledgement and confirmation by Hidalgo County Precinct No.___
Commissioner_____ as to content and detail of this Work Authorization No. # ___.

HIDALGO COUNTY
COMMISSIONER PRECINCT NO. __:

BY:_____

PART 8. ACCEPTANCE AND APPROVAL
This Work Authorization is hereby accepted, approved by Hidalgo County Commissioners' Court on ____(DATE)___ as indicated below and effective as of _____ day of _____, 2008.

THE ENGINEER:
TEDSI INFRASTRUCTURE GROUP, INC.

_____
By: _____

THE OWNER:
HIDALGO COUNTY

_____
By: Juan D. Salinas III, County Judge

ATTEST:

_____
by: Arturo Guajardo Jr., County Clerk

LIST OF ATTACHMENTS

ATTACHMENT "A" - Service to be Provided by the Owner
ATTACHMENT "B" - Services to be Provided by the Engineer
ATTACHMENT "C" - Work Schedule
ATTACHMENT "D" - Estimated Cost Proposal

EXHIBIT "F"

SUPPLEMENTAL AGREEMENT FORM

Supplemental Agreement Form

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

SUPPLEMENTAL AGREEMENT NO. ___

TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS **SUPPLEMENTAL AGREEMENT** is made pursuant to the terms and conditions of Article 8 of the Agreement made by and between **HIDALGO COUNTY**, acting herein by and through the **Commissioner's Court**, hereinafter called the "**Owner**", and _____, Professional Engineers of, _____, Texas, hereinafter called the "**Engineer**".

WITNESSETH

WHEREAS, the **Owner** and the **Engineer** executed the **Agreement** on the _____ day of _____ **2008** concerning engineering for Preliminary, Design and Construction Phase Services for the Texas Department of Transportation Border Colonia Access Funded Colonias for Hidalgo County Precinct Number ____ (hereinafter referred to as the "**Project**"); and,

WHEREAS, Article 3.1 of the **Agreement**, (Termination Date), establishes that this Agreement is to terminate at the close of business on November 6, 2008; and,

WHEREAS, it has become necessary to amend the Agreement to extend the termination date of this Agreement.

A. AGREEMENT

NOW THEREFORE, premises considered, the **Owner** and the **Engineer** agree that said **Agreement** is amended as follows:

I. Article 3.1 of the **Agreement**, (Termination Date), is revised to extend the termination date to the close of business on November 6, 2008.

All other provisions are unchanged and remain in full force and effect.

IN WITNESS WHEREOF, the Engineer and the Owner have caused this Supplemental Agreement to the Agreement for Professional Services to be executed as of the _____ day of _____, 20__.

THE ENGINEER:
TEDSI INFRASTRUCTURE GROUP, INC.

BY:_____
Mark Lupher, P.E.

Address for Giving Notices:
1201 E EXPRESSWAY 83
MISSION, TEXAS 78572

THE OWNER:
HIDALGO COUNTY

BY:_____
Juan D. Salinas III, County Judge

ATTESTED

By: _____
Arturo Guajardo Jr., County Clerk

LIST OF ATTACHMENTS

(as required)

EXHIBIT "G"
CERTIFICATE OF INSURANCE

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 09/11/2008

PRODUCER 713-463-4550 FAX 713-463-4590
Bell Insurance Group
4544 Post Oak Place, Suite 320
'ston, TX 77027
- erry Henderson

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 TEDSI Infrastructure Group, Inc.
10260 Westheimer
Suite 460
Houston, TX 77042

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: American Cas. Co. of Reading PA	20427
INSURER B: National Fire Insurance	20478
INSURER C: Continental Casualty Company	20443
INSURER D: Transportation Insurance Company	20494
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 LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY X COMMERCIAL GENERAL LIABILITY CLAIMS MADE [X] OCCUR X Contractual Liab. GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY [ ] PRO-JECT [ ] LOC	1075066054	09/11/2008	09/11/2009	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 300,000 $ 10,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
B		AUTOMOBILE LIABILITY X ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS X HIRED AUTOS X NON-OWNED AUTOS	2097261054	09/11/2008	09/11/2009	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
		GARAGE LIABILITY ANY AUTO				AUTO ONLY - EA ACCIDENT OTHER THAN AUTO ONLY: EA ACC AGG	$ $ $
C		EXCESS/UMBRELLA LIABILITY X OCCUR [ ] CLAIMS MADE DEDUCTIBLE X RETENTION $ 10,000	2090503299	09/11/2008	09/11/2009	EACH OCCURRENCE AGGREGATE	$ 2,000,000 $ 2,000,000 $ $ $
D		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	WC268980107	09/11/2008	09/11/2009	X WC STATU-TORY LIMITS [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000
C		OTHER Professional Liability	AEH113771047	09/11/2008	09/11/2009	Each claim Aggregate	$2,000,000 $2,000,000

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

County of Hidalgo is named as additional insured with respects to general liability and automobile policies, but only the specific risk and liabiities assumed under written contract with the named insured and subject to policy conditions. A blanket Additional Insured endorsement is attached to the automobile liability and general liability policies (SB-146968-A).

CERTIFICATE HOLDER

County of Hidalgo
Attn: Ms. Martha L. Salazar
100 E. Cano
5th Floor Adm. BLdg.
Edinburg, TX 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 MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Byron Johnson/SHERRY

©ACORD CORPORATION 1988

Certification
Regarding Debarment, Suspension and Ineligibility

As is required by the Federal Regulations Implementing Executive Order 12549, Debarment and Suspension, 45 CFR Part 76, Government-wide Debarment and Suspension, the applicant certifies, to the best of his or her knowledge and belief, that both it and its principals:

A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency;

B. Have not within a three-year period preceding this bid proposal and/or application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or Agreement under a public transaction, violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

C. Are not presently indicted for or otherwise criminally or civilly charged by a government entity with commission of any of the offenses enumerated herein; and

D. Have not within a three-year period preceding this bid proposal and/or application had one or more public transactions terminated for cause or default.

Signature Mark W. Kupfer
Print Name MARK W. KUPFER
Title Ex. VICE PRESIDENT
Telephone Number (956) 424-7898
Date 9/8/08

If the bidder is unable to certify to all of the statements in this Certification, such bidder should attach an explanation to this proposal.

Account Number / Description		Original Budget	Adjusted Budget	Y-T-D Encumbrance	Y-T-D Expended	Available Balance	Percent Used
1311 BORDER COLONIA ACCESS PROGRAM ROUND II							
019							
8-1311-431-00-121-019-1-312	AGUA DULCE-INDIRECT COST	.00	4,932.97	.00	2,515.68	2,417.29	51.00
8-1311-431-00-121-019-1-334	AGUA DULCE-ENG & ARCH SRV	.00	177.18	177.18	.00	.00	100.00
8-1311-431-00-121-019-1-339	AGUA DULCE-OTHER PROF SRV	.00	1,204.97	775.24	429.73	.00	100.00
8-1311-431-00-121-019-1-733	AGUA DULCE-DRAINAGE DITCHES	.00	12,269.43	.00	.00	12,269.43	.00
8-1311-431-00-121-019-1-734	AGUA DULCE-SUBDIVISION STREETS	.00	24,910.65	.00	.00	24,910.65	.00
019		**.00**	**43,495.20**	**952.42**	**2,945.41**	**39,597.37**	**8.96**
066							
8-1311-431-00-121-066-0-312	BAR #3-INDIRECT COST	.00	351.31	.00	351.31	.00	100.00
8-1311-431-00-121-066-0-334	BAR #3-ENG & ARCH SRV	.00	1,129.25	1,129.25	.00	.00	100.00
8-1311-431-00-121-066-0-339	BAR #3-OTHER PROF SRV	.00	1,516.98	.00	1,516.98	.00	100.00
8-1311-431-00-121-066-0-734	BAR #3-SUBDIVISION STREETS	.00	63,693.01	.00	63,693.01	.00	100.00
066		**.00**	**66,690.55**	**1,129.25**	**65,561.30**	**.00**	**100.00**
071							
8-1311-431-00-121-071-1-312	BARBOSA LOPEZ #1-INDIRECT COST	.00	5,755.75	.00	4,077.30	1,678.45	70.84
8-1311-431-00-121-071-1-334	BARBOSA LOPEZ #1-ENG & ARCH SRV	.00	550.83	550.83	.00	.00	100.00
8-1311-431-00-121-071-1-339	BARBOSA LOPEZ #1-OTHER PROF SRV	.00	2,085.22	.00	175.80	1,909.42	8.43
8-1311-431-00-121-071-1-733	BARBOSA LOPEZ #1-DRAINAGE DITCHES	.00	41,646.83	.00	.00	41,646.83	.00
8-1311-431-00-121-071-1-734	BARBOSA LOPEZ #1-SUBDIVISION STREETS	.00	71,038.81	.00	.00	71,038.81	.00
071		**.00**	**121,077.44**	**550.83**	**4,253.10**	**116,273.51**	**3.97**
103							
8-1311-431-00-121-103-1-312	BERNAL HEIGHTS #1-INDIRECT COST	.00	383.45	.00	383.45	.00	100.00
8-1311-431-00-121-103-1-334	BERNAL HEIGHTS #1-ENG & ARCH SRV	.00	153.03	153.03	.00	.00	100.00
8-1311-431-00-121-103-1-339	BERNAL HEIGHTS #1-OTHER PROF SRV	.00	1,209.35	779.62	429.73	.00	100.00
8-1311-431-00-121-103-1-733	BERNAL HEIGHTS #1-DRAINAGE DITCHES	.00	11,561.05	.00	.00	11,561.05	.00
8-1311-431-00-121-103-1-734	BERNAL HEIGHTS #1-SUBDIVISION STREETS	.00	19,752.99	.00	.00	19,752.99	.00
103		**.00**	**33,059.87**	**932.65**	**813.18**	**31,314.04**	**5.28**
105							
8-1311-431-00-121-105-1-312	BERNAL-INDIRECT COST	.00	7,933.64	.00	4,284.83	3,648.81	54.01
8-1311-431-00-121-105-1-334	BERNAL-ENG & ARCH SRV	.00	284.33	284.33	.00	.00	100.00
8-1311-431-00-121-105-1-339	BERNAL-OTHER PROF SRV	.00	1,486.40	1,310.40	175.80	.20	99.99
8-1311-431-00-121-105-1-733	BERNAL-DRAINAGE DITCHES	.00	4,176.56	4,176.56	.00	.00	100.00
8-1311-431-00-121-105-1-734	BERNAL-SUBDIVISION STREETS	.00	55,488.64	55,488.64	.00	.00	100.00
105		**.00**	**69,369.57**	**61,259.93**	**4,460.63**	**3,649.01**	**94.74**
132							

Account Number / Description		Original Budget	Adjusted Budget	Y-T-D Encumbrance	Y-T-D Expended	Available Balance	Percent Used
1311 BORDER COLONIA ACCESS PROGRAM ROUND II							
132							
8-1311-431-00-121-132-0-339	CANA DE AZUCAR-OTHER PROF SRV	.00	270.04	270.04	.00	.00	100.00
132		**.00**	**270.04**	**270.04**	**.00**	**.00**	**100.00**
150							
8-1311-431-00-121-150-1-312	CHAPA III-INDIRECT COST	.00	2,328.15	.00	1,243.71	1,084.44	53.42
8-1311-431-00-121-150-1-334	CHAPA III-ENG & ARCH SRV	.00	105.24	89.43	.00	15.81	84.98
8-1311-431-00-121-150-1-339	CHAPA III-OTHER PROF SRV	.00	1,466.58	1,030.55	429.74	6.29	99.57
8-1311-431-00-121-150-1-733	CHAPA III-DRAINAGE DITCHES	.00	7,193.49	4,879.49	.00	2,314.00	67.83
8-1311-431-00-121-150-1-734	CHAPA III-SUBDIVISION STREETS	.00	13,887.79	13,887.79	.00	.00	100.00
150		**.00**	**24,981.25**	**19,887.26**	**1,673.45**	**3,420.54**	**86.31**
230							
8-1311-431-00-121-230-1-312	DIMAS #3-INDIRECT COST	.00	6,734.37	.00	3,768.30	2,966.07	55.96
8-1311-431-00-121-230-1-334	DIMAS #3-ENG & ARCH SRV	.00	287.70	287.70	.00	.00	100.00
8-1311-431-00-121-230-1-339	DIMAS #3-OTHER PROF SRV	.00	1,613.26	.00	175.80	1,437.46	10.90
8-1311-431-00-121-230-1-733	DIMAS #3-DRAINAGE DITCHES	.00	6,641.07	.00	.00	6,641.07	.00
8-1311-431-00-121-230-1-734	DIMAS #3-SUBDIVISION STREETS	.00	53,732.25	.00	.00	53,732.25	.00
230		**.00**	**69,008.65**	**287.70**	**3,944.10**	**64,776.85**	**6.13**
244							
8-1311-431-00-121-244-0-312	EL MESQUITE-INDIRECT COST	.00	2,086.72	.00	2,063.19	23.53	98.87
8-1311-431-00-121-244-0-334	EL MESQUITE-ENG & ARCH SRV	.00	393.25	393.25	.00	.00	100.00
8-1311-431-00-121-244-0-339	EL MESQUITE-OTHER PROF SRV	.00	1,794.82	.00	.00	1,794.82	.00
8-1311-431-00-121-244-0-733	EL MESQUITE-DRAINAGE DITCHES	.00	31,358.53	.00	.00	31,358.53	.00
8-1311-431-00-121-244-0-734	EL MESQUITE-SUBDIVISION STREETS	.00	51,163.91	.00	.00	51,163.91	.00
244		**.00**	**86,797.23**	**393.25**	**2,063.19**	**84,340.79**	**2.83**
245							
8-1311-431-00-121-245-1-312	EL MONTE-INDIRECT COST	.00	2,146.21	.00	2,122.50	23.71	98.90
8-1311-431-00-121-245-1-334	EL MONTE-ENG & ARCH SRV	.00	437.99	437.99	.00	.00	100.00
8-1311-431-00-121-245-1-339	EL MONTE-OTHER PROF SRV	.00	2,194.16	2,018.36	175.80	.00	100.00
8-1311-431-00-121-245-1-733	EL MONTE-DRAINAGE DITCHES	.00	16,544.00	.00	.00	16,544.00	.00
8-1311-431-00-121-245-1-734	EL MONTE-SUBDIVISION STREETS	.00	75,367.12	.00	.00	75,367.12	.00
245		**.00**	**96,689.48**	**2,456.35**	**2,298.30**	**91,934.83**	**4.92**
318							
8-1311-431-00-121-318-1-312	HIGH LAND-INDIRECT COST	.00	7,495.85	.00	4,491.46	3,004.39	59.92
8-1311-431-00-121-318-1-334	HIGH LAND-ENG & ARCH SRV	.00	422.14	422.14	.00	.00	100.00
8-1311-431-00-121-318-1-339	HIGH LAND-OTHER PROF SRV	.00	2,174.96	1,986.11	175.80	13.05	99.40

Account Number / Description		Original Budget	Adjusted Budget	Y-T-D Encumbrance	Y-T-D Expended	Available Balance	Percent Used
1311 BORDER COLONIA ACCESS PROGRAM ROUND II							
318							
8-1311-431-00-121-318-1-733	HIGH LAND-DRAINAGE DITCHES	.00	14,173.56	14,173.56	.00	.00	100.00
8-1311-431-00-121-318-1-734	HIGH LAND-SUBDIVISION STREETS	.00	74,411.16	74,411.16	.00	.00	100.00
318		**.00**	**98,677.67**	**90,992.97**	**4,667.26**	**3,017.44**	**96.94**
368							
8-1311-431-00-121-368-0-312	LA BLANCA HEIGHTS-INDIRECT COST	.00	1,164.89	.00	.00	1,164.89	.00
8-1311-431-00-121-368-0-334	LA BLANCA HEIGHTS-ENG & ARCH SRV	.00	2,305.34	.00	.00	2,305.34	.00
8-1311-431-00-121-368-0-339	LA BLANCA HEIGHTS-OTHER PROF SRV	.00	1,203.84	1,203.84	.00	.00	100.00
8-1311-431-00-121-368-0-734	LA BLANCA HEIGHTS-SUBDIVISION STREETS	.00	12,308.30	.00	.00	12,308.30	.00
368		**.00**	**16,982.37**	**1,203.84**	**.00**	**15,778.53**	**7.09**
391							
8-1311-431-00-121-391-0-312	LA PALMA S/D-INDIRECT COST	.00	3,686.16	.00	.00	3,686.16	.00
8-1311-431-00-121-391-0-334	LA PALMA S/D-ENG & ARCH SRV	.00	666.14	666.14	.00	.00	100.00
8-1311-431-00-121-391-0-339	LA PALMA S/D-OTHER PROF SRV	.00	3,038.30	1,026.68	.00	2,011.62	33.79
8-1311-431-00-121-391-0-733	LA PALMA S/D-DRAINAGE DITCHES	.00	57,313.33	.00	19,043.00	38,270.33	33.23
8-1311-431-00-121-391-0-734	LA PALMA S/D-SUBDIVISION STREETS	.00	50,475.27	.00	19,575.29	30,899.98	38.78
391		**.00**	**115,179.20**	**1,692.82**	**38,618.29**	**74,868.09**	**35.00**
392							
8-1311-431-00-121-392-0-312	LA PALOMA #1-INDIRECT COST	.00	925.92	.00	.00	925.92	.00
8-1311-431-00-121-392-0-334	LA PALOMA #1-ENG & ARCH SRV	.00	1,690.30	.00	.00	1,690.30	.00
8-1311-431-00-121-392-0-734	LA PALOMA #1-SUBDIVISION STREETS	.00	579.07	.00	.00	579.07	.00
392		**.00**	**3,195.29**	**.00**	**.00**	**3,195.29**	**.00**
495							
8-1311-431-00-121-495-0-312	NORTH CAPISALLO-INDIRECT COST	.00	1,441.49	.00	.00	1,441.49	.00
8-1311-431-00-121-495-0-334	NORTH CAPISALLO-ENG & ARCH SRV	.00	260.70	260.70	.00	.00	100.00
8-1311-431-00-121-495-0-339	NORTH CAPISALLO-OTHER PROF SRV	.00	1,302.54	1,302.54	.00	.00	100.00
8-1311-431-00-121-495-0-733	NORTH CAPISALLO-DRAINAGE DITCHES	.00	9,847.20	.00	.00	9,847.20	.00
8-1311-431-00-121-495-0-734	NORTH CAPISALLO-SUBDIVISION STREETS	.00	44,859.48	.00	.00	44,859.48	.00
495		**.00**	**57,711.41**	**1,563.24**	**.00**	**56,148.17**	**2.71**
509							
8-1311-431-00-121-509-1-312	OLD REBEL HEIGHTS-INDIRECT COST	.00	2,453.01	.00	.00	2,453.01	.00
8-1311-431-00-121-509-1-334	OLD REBEL HEIGHTS-ENG & ARCH SRV	.00	2,316.13	.00	.00	2,316.13	.00
8-1311-431-00-121-509-1-339	OLD REBEL HEIGHTS-OTHER PROF SRV	.00	981.38	981.38	.00	.00	100.00
509		**.00**	**5,750.52**	**981.38**	**.00**	**4,769.14**	**17.07**
571							

Account Number / Description		Original Budget	Adjusted Budget	Y-T-D Encumbrance	Y-T-D Expended	Available Balance	Percent Used
1311 BORDER COLONIA ACCESS PROGRAM ROUND II							
571							
8-1311-431-00-121-571-0-312	PUESTA DEL SOL-INDIRECT COST	.00	5,679.44	.00	.00	5,679.44	.00
8-1311-431-00-121-571-0-334	PUESTA DEL SOL-ENG & ARCH SRV	.00	1,022.35	1,022.35	.00	.00	100.00
8-1311-431-00-121-571-0-339	PUESTA DEL SOL-OTHER PROF SRV	.00	5,108.00	5,108.00	.00	.00	100.00
8-1311-431-00-121-571-0-733	PUESTA DEL SOL-DRAINAGE DITCHES	.00	53,634.00	.00	.00	53,634.00	.00
8-1311-431-00-121-571-0-734	PUESTA DEL SOL-SUBDIVISION STREETS	.00	160,902.00	.00	.00	160,902.00	.00
571		**.00**	**226,345.79**	**6,130.35**	**.00**	**220,215.44**	**2.71**
575							
8-1311-431-00-121-575-0-312	RC BABB #1-INDIRECT COST	.00	425.36	.00	416.87	8.49	98.00
8-1311-431-00-121-575-0-339	RC BABB #1-OTHER PROF SRV	.00	507.60	184.50	323.10	.00	100.00
8-1311-431-00-121-575-0-734	RC BABB #1-SUBDIVISION STREETS	.00	28,459.20	.00	22,168.45	6,290.75	77.90
575		**.00**	**29,392.16**	**184.50**	**22,908.42**	**6,299.24**	**78.57**
576							
8-1311-431-00-121-576-0-312	RC BABB #2-INDIRECT COST	.00	1,127.28	.00	1,102.78	24.50	97.83
8-1311-431-00-121-576-0-339	RC BABB #2-OTHER PROF SRV	.00	1,163.76	840.66	323.10	.00	100.00
8-1311-431-00-121-576-0-734	RC BABB #2-SUBDIVISION STREETS	.00	50,598.92	.00	42,852.08	7,746.84	84.69
576		**.00**	**52,889.96**	**840.66**	**44,277.96**	**7,771.34**	**85.31**
577							
8-1311-431-00-121-577-0-312	RC BABB #3-INDIRECT COST	.00	165.19	.00	161.39	3.80	97.70
8-1311-431-00-121-577-0-339	RC BABB #3-OTHER PROF SRV	.00	263.52	.00	258.10	5.42	97.94
8-1311-431-00-121-577-0-734	RC BABB #3-SUBDIVISION STREETS	.00	23,626.84	.00	23,626.84	.00	100.00
577		**.00**	**24,055.55**	**.00**	**24,046.33**	**9.22**	**99.96**
631							
8-1311-431-00-121-631-0-312	ROSEDALE HEIGHTS-INDIRECT COST	.00	2,107.73	.00	.00	2,107.73	.00
8-1311-431-00-121-631-0-334	ROSEDALE HEIGHTS-ENG & ARCH SRV	.00	2,631.69	.00	.00	2,631.69	.00
8-1311-431-00-121-631-0-339	ROSEDALE HEIGHTS-OTHER PROF SRV	.00	1,177.32	1,177.32	.00	.00	100.00
8-1311-431-00-121-631-0-733	ROSEDALE HEIGHTS-DRAINAGE DITCHES	.00	9,313.60	.00	.00	9,313.60	.00
8-1311-431-00-121-631-0-734	ROSEDALE HEIGHTS-SUBDIVISION STREETS	.00	7,734.91	.00	.00	7,734.91	.00
631		**.00**	**22,965.25**	**1,177.32**	**.00**	**21,787.93**	**5.13**
865							
8-1311-431-00-121-865-1-312	DIMAS #1-INDIRECT COST	.00	5,294.07	.00	3,086.58	2,207.49	58.30
8-1311-431-00-121-865-1-334	DIMAS #1-ENG & ARCH SRV	.00	277.24	277.24	.00	.00	100.00
8-1311-431-00-121-865-1-339	DIMAS #1-OTHER PROF SRV	.00	1,450.98	.00	175.80	1,275.18	12.12
8-1311-431-00-121-865-1-733	DIMAS #1-DRAINAGE DITCHES	.00	13,380.84	.00	.00	13,380.84	.00
8-1311-431-00-121-865-1-734	DIMAS #1-SUBDIVISION STREETS	.00	44,796.72	.00	.00	44,796.72	.00

Account Number / Description		Original Budget	Adjusted Budget	Y-T-D Encumbrance	Y-T-D Expended	Available Balance	Percent Used
1311 BORDER COLONIA ACCESS PROGRAM ROUND II							
865							
865		**.00**	**65,199.85**	**277.24**	**3,262.38**	**61,660.23**	**5.43**
897							
8-1311-431-00-121-897-1-312	MEL GRAY-INDIRECT COST	.00	3,197.57	.00	.00	3,197.57	.00
8-1311-431-00-121-897-1-334	MEL GRAY-ENG & ARCH SRV	.00	3,847.86	.00	.00	3,847.86	.00
8-1311-431-00-121-897-1-339	MEL GRAY-OTHER PROF SRV	.00	8,881.81	.00	.00	8,881.81	.00
8-1311-431-00-121-897-1-734	MEL GRAY-SUBDIVISION STREETS	.00	2,257.77	.00	.00	2,257.77	.00
897		**.00**	**18,185.01**	**.00**	**.00**	**18,185.01**	**.00**
1311 BORDER COLONIA ACCESS PROGRAM ROUND II		**.00**	**1,347,969.31**	**193,164.00**	**225,793.30**	**929,012.01**	**31.08**
8 YEAR		**.00**	**1,347,969.31**	**193,164.00**	**225,793.30**	**929,012.01**	**31.08**

AI-11393 **19.I.1.**

PCT NO 2 - WORK AUTH NO 1
CC REGULAR

Date: 09/30/2008
Submitted By: Laura Moya, PURCHASING DEPT.
Department: PURCHASING DEPT.

Agenda Area: Purchasing Department **Purchasing only:** CAP Pct.2

Information

CAPTION

Presentation for consideration, discussion acceptance and approval of Work Authorization #1 (with a proposed fee of $41,151.98) with R. Gutierrez Engineering Corporation to provide engineer services to Hidalgo County Precinct No. 2 for Border Colonia Access Program Round II Projects. C-CAP-08-015-05-06

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:** 8-1311-431-00-122-XXX-X-XXX
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

8-1311-431-00-122-253-0-841 ElDora Rd/1426 --> Available balance is $14,702.87 as of 8/25/08
8-1311-431-00-122-740-0-334 Tiny Acres --> Available in PO# 563459 is $1,664.10 as of 8/25/08
8-1311-431-00-122-252-0-334 ElDora Gardens --> Available in PO# 563459 is $1,354.80 as of 9/25/08
8-1311-431-00-122-412-0-334 Las Haciendas --> Available in PO# 563459 is $1,699.83 as of 9/25/08
8-1311-431-00-122-693-0-334 South Side Village --> Available in PO# 563459 is $903.70 as of 9/25/08
8-1311-431-00-122-620-0-334 Roadrunner #2 --> Available in PO# 563459 is $6,839.36 as of 9/25/08
8-1311-431-00-122-557-1-334 Pentecostal --> Available in PO# 563459 is $1,881.50 as of 9/25/08
8-1311-431-00-122-767-1-334 Val Bar --> Available in PO# 563459 is $1,475.60 as of 9/25/08
8-1311-431-00-122-494-1-334 North Alamo Village --> Available in PO# 563459 is $4,316.82 as of 9/25/08
8-1311-431-00-122-503-1-334 Northside Village #2 --> Available in PO# 563459 is $2,103.68 as of 9/25/08
8-1311-431-00-122-484-1-334 Morning Sun --> Available in PO# 563459 is $2,110.80 as of 9/25/08

8-1311-431-00-122-240-1-334 El Charro #2 --> Available in PO# 563459 is $8,855.10 as of 9/25/08
8-1311-431-00-122-605-1-334 Red Barn --> Available in PO# 563459 is $2,126.04 as of 9/25/08
8-1311-431-00-122-580-0-334 RSW Unit #1 --> Available in PO# 563459 is $3,536.68 as of 9/25/08

Attachments

Link: Work Authorization

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 01:04 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 03:11 PM	APRV
3	Dale Kennan	Dale Kennan	09/25/2008 04:25 PM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 03:58 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 04:37 PM	APRV

Form Started By: Laura Moya Started On: 09/24/2008 04:49 PM

Final Approval Date: 09/26/2008

EXHIBIT "E"

HIDALGO COUNTY
Professional Engineering Services
Agreement #C-CAP-08-015-05-06
Work Authorization Form

WORK AUTHORIZATION NO. 1

THIS WORK AUTHORIZATION is made pursuant to the terms and conditions of Section I.A. of the **Agreement** made by and between the **HIDALGO COUNTY**, acting herein by and through the **Commissioner's Court**, hereinafter called the "**Owner**", and **R. GUTIERREZ ENGINEERING CORPORATION**, professional engineers of Pharr, Texas, hereinafter called the "**Engineer**".

PART 1. SCOPE OF WORK
The purpose of this Work Authorization is for the Engineer to provide Plans, Specifications and Estimate (PS&E) and Construction Inspection for Round 2 funded Proposition 2 – Border Access Colonia Program Projects of Hidalgo County Precinct No. 2 as identified in Attachment "A".

The scope of services to be provided by the **Owner** is identified in ***EXHIBIT "A" –Scope of Services to be Provided by the Owner*** attached hereto.

The scope of services to be provided by the **Engineer** is identified in ***EXHIBIT "B" –Scope of Services to be Provided by the Engineer*** attached hereto.

PART 2. ESTIMATED COST
The estimated cost for services under this Work Authorization is **$41,151.98.** This amount is based upon the costs outlined in the ***Estimated Cost Proposal*** attached hereto as **EXHIBIT "D"**.

PART 3. PAYMENT
Compensation and payment to the **Engineer** for the services established under this Work Authorization shall be made in accordance with Articles 5, 6, and 7 of the **Agreement**.

PART 4. FUNDING
This Work Authorization No. 1 shall be funded through funding source:

Account No. _____

Requisition No. _____ (must be included after CC approval)

PART 5. PERIOD OF SERVICE
This Work Authorization shall become effective on the date of final acceptance of the parties hereto, and terminate upon completion of scopes of the work authorization or December 31, 2009.

PART 6. RESPONSIBILITIES AND OBLIGATIONS
This Work Authorization does not waive the parties' responsibilities and obligations provided under the **Agreement**.

PART 7. ACKNOWLEDGEMENT AND CONFIRMATION
Acknowledgment and confirmation by Hidalgo County Precinct No. 2 Commissioner Hector "Tito" Palacios as to content and detail of this Work Authorization No. 1.

HIDALGO COUNTY
COMMISSIONER PRECINCT NO. 2:

By: _____

PART 8. ACCEPTANCE AND APPROVAL
This Work Authorization is hereby accepted, approved by Hidalgo County Commissioner's Court on _____ as indicated below and effective as of __ day of _____, 2008.

ENGINEER:

R. Gutierrez Engineering Corporation

By: _____
Name: Ramiro Gutierrez, P.E., President

OWNER:

COUNTY OF HIDALGO

By: _____
Name: Juan D. Salinas III, County Judge

ATTEST:

By: _____
Name: Arturo Guajardo, Jr., County Clerk

LIST OF ATTACHMENTS

ATTACHMENT "A" - Services to be Provided by the Owner
ATTACHMENT "B" - Services to be Provided by the Engineer
ATTACHMENT "C" - Work Schedule
ATTACHMENT "D" - Estimated Cost Proposal

ATTACHMENT "A"

Services to be Provided by the Owner

The following provides an outline of the services to be provided by the **Owner** in the development of the **Project** (as defined and more particularly identified in Exhibit "A" attached to this Agreement).

General

The **Owner** will provide to the **Engineer** the following:

1) Authorization to the Engineer to begin work.

2) Payment for work performed by the engineer.

3) Assistance to the Engineer, as necessary, to obtain required data and information from other local, regional, and state agencies that the Engineer cannot easily obtain.

4) Provide any available relevant data that may on file concerning the Project.

5) Provide timely review and decisions in response to the Engineers request for information and/or submittals and deliverables.

6) Attend and participate in progress meetings as required and as coordinated and conducted by the Engineer.

7) Advertise and award, as assisted and recommended by the Engineer, construction contracts for the PS&E developed by the Engineer.

8) Attend pre-bid and pre-construction conferences coordinated and conducted by the Engineer.

9) Review and approve monthly and final estimates, developed by the Engineer, for payment to the Contractor. Compensate and pay the Contractor for work performed as identified in the approved monthly and final estimates.

10) Provide assistance to Engineer where necessary and possible with Owner information/resources to ensure project is completed within timely/efficient basis.

11) Provide Engineer with Geotechnical Data of existing pavement thickness.

ATTACHMENT "B"

Services to be Provided by the Engineer

The work to be furnished by the Engineer shall consist of management and engineering services for improvements in Hidalgo County Colonias approved by the State of Texas under the Second Call of Proposition Two funding. The work shall be developed in accordance with the Owner, TXDOT, and applicable design standards and in a format acceptable to the owner, and reviewing agencies.

The Engineer shall render specific management and engineering services for the development of the Project and fulfillment of this Agreement as follows:

I. PRELIMINARY PHASE - GENERAL PROJECT MANAGEMENT AND ADMINISTRATION

II. DESIGN PHASE – FINAL DESIGN AND PLANS, SPECIFICATIONS, AND ESTIMATES (PS&E) FOR COLONIA ACCESS

III. CONSTRUCTION PHASE – CONSTRUCTION MANAGEMENT & SUPPORT & INSPECTIONS

I. PRELIMINARY PHASE SERVICES

GENERAL PROJECT MANAGEMENT

Services for GENERAL PROJECT MANAGEMENT by the Engineer will include the following:

1. Project/Program Schedule. See Exhibit "C".

2. Coordination/Meetings. The Owner may require the Engineer to attend local public hearings, policy meetings and upon request attend Owner staff meetings. The Engineer shall assist the Owner, as requested, at meetings with the Texas Department of Transportation (TXDOT), or other necessary entities.

Planning & Assessment

The Engineer will provide the following:

1) Review, verify and gather data necessary to proceed with design of approved TXDOT Colonia Projects.

2) Perform interviews with each Precinct County Commissioner and staff to identify "present day" complaints, roadway and drainage histories and preliminary design information for the approved projects.

3) Obtain geotechnical data for pavement designs; determine subsurface conditions.

4) Develop pavement designs, including cost data, pavement material properties, and pavement drainage.

5) Identify preliminary alignments; develop typical sections.

6) Develop hydraulic design criteria in accordance with Hidalgo County/Local Municipal or TXDOT guidelines.

7) Verify FEMA FIRM zones and requirements.

8) Develop basic schematic layout of improvement to determine right of way requirements.

Environmental Document Preparation and Public Comment

Provide Owner assistance in gathering data necessary to complete the Environmental Review Record format established by Owner to satisfy TXDOT environmental requirements.

Right of Way Data

The Engineer shall provide utility and right of way data for each approved individual project as follows:

Utility Coordination/Inventory

1) The Engineer will develop utility layout sheets from schematics and incorporate utility information; identify all existing overhead and above ground utilities; identify all existing underground utilities; document all information on utility layout sheets; identify potential conflicts, The layout sheets will be reproducible drawings (11" X17") with the following information:

   a) Existing and/or proposed right of way lines
   b) Benchmark data
   c) Existing and proposed drainage system(s)
   d) Location and size of utility (plan/profile view)
   e) Limits of existing casing pipe
   f) Name of the owner/company

2) The Engineer will coordinate utility adjustments with Owner and all affected utility owners as necessary.

Field Survey

The Engineer will provide the following:

1) Vertical and Horizontal Control. Establish and stake the Project control centerline (baselines) and offset for the Project or portions of the Project. Establish vertical control by looping all benchmark (BM) circuits and tie to monument permanent BM elevation. BM's are to be set at 1,000 ft. maximum intervals using Global Positioning System (GPS) survey, and in a location that will be undisturbed by future construction.

2) Topography. Obtain topographic information surveyed for the length of the control centerline, as required; provide location (station and offset), size, height, and depth and/or length and description of topographic features; to include, but not limited to the following: driveways, signs, light poles, mail boxes, all fences (including metal beam guard fence and turndowns), utilities (type, owner, location,

and depth), riprap, existing right of way lines, private property lines, county and/or city limits, etc.. Drainage elements to include: flow lines and/or top of structures for drain pipes, inlets, manholes, other miscellaneous structures and ditches.

3) Design Centerline. Establish and stake the design centerline.

Right of Way Map

Provide for the preparation of a project right-of-way map where right of way acquisition is necessary. Provide for the necessary right-or-way research, mapping, surveying and all services related to the development of a right-of-way map. Prepare parcel sketches and field notes of all parcels requiring acquisition. Revisions to be done promptly at no cost to the owner.

II. DESIGN PHASE SERVICES

Final Design and Plans, Specifications & Estimates

The Engineer will develop the final design and prepare contract drawings, specifications and estimates for construction of the Project or portions of the Project as authorized by the Owner. These documents will be submitted to the applicable city, county, state, and/or federal agencies for approval.

All final plan sheets will be developed by the Engineer on 11" X 17" reproducible, 4 mil, double-matte, white, opaque film.

Recognizing that there will be several team members participating in the development of the overall Project, and taking into consideration that the Owner has a significant investment in the development of the Project, there is need for consistency in document development for the purpose of review and production to help facilitate an economically efficient product. All computer document files furnished to the Owner by the Engineer shall be furnished on a CD-ROM created utilizing DOS software. Retrieval documentation relating to file storage on the designated delivery media shall be prepared by the Engineer and provided to the Owner. It is the intent of the Engineer and this Agreement to secure computer files from all Project Team members that are composed of elements of the same precision, integrity, singularity, attributes.

The Engineer shall prepare graphic files that can be reviewed and plotted utilizing Microstation/AutoCAD, software. The graphic files submitted must be compatible with Microstation Cad System without conversion or modification and must plot consistent with reproducible plots submitted.

Plan Sheets. Plan sheets developed by the Engineer will include, but not limited to, title sheet, typical sections, sequence of construction, estimates and quantity, plan-profile, channel details, roadway details, bridge and culvert details, hydraulic details, and standards.

Specifications. The Engineer shall use the June 1, 2004 Texas Department of Transportation Standard Specifications for Construction and Maintenance of Highways, Streets, and Bridges. Other specifications may be developed by the Engineer, but must incorporate, reference to standard TXDOT requirements of design & testing procedures and Hidalgo County Subdivision Required Standards.

Estimates. The Engineer will prepare detailed cost estimates and proposals of authorized construction, which

will include summaries of bid items and quantities based on the unit price system of bidding.

All plots and graphic media provided by the Engineer, as a result of this Agreement, shall be delivered to the Owner. Final payment for plan sheet documents and/or associated, applicable engineering files will not be made until the files furnished by the Engineer have been demonstrated to be useable in the formats described above and herein.

Services for FINAL DESIGN AND PLANS, SPECIFICATIONS AND ESTIMATES by the Engineer will include the following:

Roadway Design Controls

The Engineer will prepare the roadway design for the Project or portions of the Project as authorized by the Owner. The roadway design will be submitted to the applicable city, county, state, and/or federal agencies for approval.

Roadway design controls will include:

1) Geometric design – horizontal and vertical alignments, intersection geometrics; to be incorporated onto plan and profile sheets.
2) Geometric and grading design – development of typical roadway sections through horizontal and vertical alignment determination and roadway cross sections.
3) Grading design – existing and design cross sections, cut/fill quantities, slope stability analysis, embankment foundation stability and settlement analysis.
4) Earthwork Quantities – obtained from grading design.
5) Miscellaneous supplemental plan details.

Drainage

The Engineer will perform final hydrologic/hydraulic analysis and design for the proposed improvements of the Project or portions of the Project as authorized by the Owner.

Signing

The Engineer will determine location and type of warning, regulatory and guide signs as required by the Hidalgo County Subdivision Standards or local Municipal standards as applicable. All signing design will be based on the final proposed roadway design.

Permanent Pavement Markings

The Engineer with the Owner will evaluate the need for pavement markings and design all permanent pavement markings in accordance with the Hidalgo County Subdivision Standard or Local Municipal Standards as applicable. All such design will be based on the final proposed roadway design.

Miscellaneous

If required for the Project or portion of the Project approved by the Owner, the Engineer will provide the following miscellaneous roadway items:

Miscellaneous Drafting, Standards, and Details

1) The Engineer will prepare a title sheet indicating, at a minimum, project limits, project location map, name of owner and owner acknowledgement/acceptance, facility identification, specification reference, Engineer's seal, signature and date.

2) The Engineer will determine appropriate standard drawings to be incorporated into the plans, and sign/seal any modifications to any agency or industry approved standards.

3) The Engineer will develop any details to clarify any construction requirements of the plan drawings.

PS&E Supporting Documents

4) Specifications List and general Notes. The Engineer will prepare an applicable specification list, in TXDOT format, as well as any general notes that may be applicable to each PS&E submission.

5) Estimates. The Engineer will prepare detailed cost estimates and proposals of authorized construction, which will include summaries of bid items and quantities based, insofar as practicable, on the unit price system of bidding.

6) Contract Time Determination Statement. The Engineer will determine the time required for construction of the project, outlining phases of construction and appropriate rates of production and construction for bid items determined to be in the critical path for construction of the PS&E submittal.

7) Additional documents: Right of Way Certification letter, material testing and sampling table.

III. CONSTRUCTION PHASE SERVICES

Construction Management and Support

The Engineer will provide engineering and support services for and during the construction of the Project or portions of the Project approved by the Owner. Specific services for CONSTRUCTION MANAGEMENT AND SUPPORT by the Engineer will include the following:

Construction Bidding

1) The Engineer will furnish to the Owner the necessary copies of approved plans, specifications, notices to bidders, and proposals as prepared under PS&E.

2) The Engineer will coordinate and conduct a Pre-Bid Conference for prospective bidders.

3) The Engineer will assist Owner the tabulation of bids, recommendations to the Owner as to the proper action on all bid proposals received, and the preparation of formal contract documents for the award of each construction contract.

Construction Contract Administration

4) In general, the Engineer will provide the management and engineering support/data required for consultation and advisement to the Owner and act as the Owners representative as provided in the General Condition of the Construction Contract.

5) The Engineer will coordinate and conduct a pre-construction conference.

6) Defects and Deficiencies. The Engineer will use his best efforts to protect the Owner against defects and deficiencies in the work of the Contractor. The Engineer will promptly notify the Owner of any such defect or deficiency, and take all steps possible to require the Contractor to correct the defect or deficiency.

7) Contractor Payment. The Engineer will take measurements and calculate quantities, in accordance with the construction contract specifications, of those items of work accepted and conforming to the construction contract specifications, for the preparation of the monthly and final estimates for payment to the Contractor.

8) The Engineer will provide Project site inspection of the authorized construction contract(s) as follows:

   a) Project Engineer. The Engineer will provide visits by the Project Engineer or a competent representative of the Engineer to the site of construction for the purpose of monitoring the Contractor's progress and conformance to the construction contract plans and specifications.

   b) Resident Engineer and/or Construction Inspector(s). The Owner may request the Engineer to furnish the services of a Resident Engineer and/or Construction Inspector(s) for continuous on the site inspection of construction to monitor/inspect the Contractor's daily progress and conformance to PS&E specifications. See Article 5 for special services compensation details.

Miscellaneous Technical Activities

9) Shop Drawings. The Engineer will review and check all shop or working drawings furnished by the Contractor.

10) Control of Materials & Equipment. The Engineer will provide inspection of all materials and equipment furnished/used by the Contractor as follows:

   a) Review and record all laboratory, shop and mill tests of materials and equipment for compliance with the construction contract specifications.

   b) Observe and/or perform Project record testing and/or independent assurance testing as outlined in the construction contract specifications.

11) Change Orders. When applicable the Engineer will prepare the engineering data, including plan sheet drawings, specifications, and estimates, for the preparation of construction contract change orders, which may be required due to actual field conditions encountered or new requirements directed by the Owner.

12) As Built Drawings. The Engineer will develop as built drawings to depict the work as actually constructed. The Owner will be furnished five (5) set of prints.

ATTACHMENT "C"
WORK SCHEDULE

BORDER COLONIA ACCESS PROGRAM
WORK AUTHORIZATION NO. 1

2ND ROUND

PROJECT NAME	TYPE OF CONSTRUCTION	2008				2009					
		SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Eldora/1426	Full Reconstruction										
Tiny Acres	Widen & Overlay										
Eldora Gardens	Const between C&G										
Las Haciendas	1/4 Reconst, 1/2 New C&G & Overlay										
Southside Village	Overlay Only										
Roadrunner #2	Widen & Overlay										
Pentecostal	Full Reconstruction										
Val Bar Estates	Widen & Overlay										
North Alamo Village	Widen & Overlay										
Northside Village #2	Widen & Overlay										
Morningsun	Widen & Overlay										
El Charro #2	Full Reconstruction										
Red Barn	Widen & Overlay										
R. S. W. Unit #1	Pavement Reconst Only										

Phase I Work - Topographic Survey, Agency Coordination & Preliminary Design

Phase II Work - Detailed Design, Plan Preparation & Construction Bid Documents

Phase III Work - Bidding and Construction Activities

ATTACHMENT "D"
ESTIMATED COST PROPOSAL
BORDER COLONIA ACCESS PROGRAM
WORK AUTHORIZATION

2ND ROUND

TWDB ID#	Colonia Name	Project Length (mi)	Professional Costs
M1080253	Eldora Rd/1426	0.29	$2,283.97
M1080740	Tiny Acres	0.23	$1,664.10
M1080252	Eldora Gardens	0.18	$1,354.80
M1080412	Las Haciendas	0.99	$1,699.83
M1080693	South Side Village	0.36	$903.70
M1080620	Roadrunner #2	0.68	$6,839.36
M1080557	Pentecostal	0.22	$1,881.50
M1080767	Val Bar	0.16	$1,475.60
M1080494	North Alamo Village	0.5	$4,316.82
M1080503	Northside Village	0.23	$2,103.68
M1080484	Morning Sun	0.23	$2,110.80
M1080240	El Charro #2	0.7	$8,855.10
M1080605	Red Barn	0.14	$2,126.04
M1080580	RSW Unit #1	0.57	$3,536.68
			$41,151.98

Fee Breakdown is as follows:

Phase I = 40% of Professional Services Fee
Phase II = 40% of Professional Services Fee
Phase III = 20% of Professional Services Fee

AI-11279 **19.J.1.**

Application for Payment No 1 El Sol I and II Subdivision Pct 3
CC REGULAR

Date: 09/30/2008
Submitted By: Marcie Jackson, COLONIA ACCESS PROGRAM
Submitted For: Agapito Vargas
Department: COLONIA ACCESS PROGRAM
Agenda Area: Purchasing Department **Purchasing only:** CAP Pct.3

Information

CAPTION

Presentation for consideration, discussion acceptance and approval of Application for Payment No. 1 in the amount of $63,138.90 from Asago, L.L.C. dba, Asago Construction contracted vendor for El Sol #1 and El Sol #2 Subdivision submitted by project engineer Javier Hinojosa Engineering. C-CAP-08-021-07-01

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:** 8-1311-431-00-123-250-0-733/734
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:
PO # 607377

FISCAL YEAR: **ACCT. #:** 8-1311-431-00-123-251-0-733/734
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:
PO # 607377

Attachments

Link: Application for Payment No 1 El Sol I and El Sol II

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Laura Moya	Laura Moya	09/18/2008 11:52 AM	APRV
2	Purchasing Department	Marty Salazar	09/18/2008 04:00 PM	APRV
3	Budget & Management	Veronica Lopez	09/18/2008 04:04 PM	APRV
4	Erika Reyna	Erika Reyna	09/18/2008 04:34 PM	APRV
5	Auditor's Office	Linda Fong	09/26/2008 11:34 AM	APRV
6	Court Administrator	Angela Garcia	09/26/2008 01:03 PM	APRV

Form Started By: Marcie Jackson

Started On: 09/18/2008 09:58 AM

Final Approval Date: 09/26/2008

APPLICATION FOR PAYMENT NO. 1

To: **Hidalgo County** (OWNER)

From: **Asago, LLC dbaAsago Construction** (CONTRACTOR)

Contract: **C-CAP-08-021-7-01**

Project: **Hidalgo County Precinct No. 3 - Border Colonia Access Program – El Sol #1 and El Sol #2 Subdivsion(s)**

OWNER'S Contract No. **C-CAP-08-021-7-01**

For Work Accomplished through the date of: **August 31, 2008.**

1. Original Contract Price:		**$536,001.00**
2. Net Change by Change Orders and Written Amendments (+ or -):		**$ 0.00**
3. Current Contract Price (1 and plus 2):		**$536,001.00**
4. Total complete and stored to date:		**$ 66,462.00**
5. Retainage (per Agreement):		
5 % of completed Work:	**$3,323.10**	
_____ % of stored material:	$_____	
Total Retainage:		**$ 3,323.10**
6. Total complete and stored to date less retainage (4 minus 5):		**$ 63,138.90**
7. Less previous Application for Payments: P.O.#607377		**$ 0.00**
8. DUE THIS APPLICATION (6 MINUS 7):		**$ 63,138.90**

Accompanying Documentation: 8·1311·431·00·123·250 0·733 - $12,020.00 - <-600.00> = $11,419.00
8·1311·431·00·123·250·0·734 - $18,400.00 - <-920.00> = $17,480.00

CONTRACTOR'S Certification: 8·1311·431·00·123·251·0·733 - $9,002.00 - <-450.10> = $8,551.90
8·1311·431·00·123·251·0·734 - $27,040.00 - <-1352.00> = $25,688.00

$63,138.90

The undersigned CONTRACTOR certifies that (1) all previous progress payments received from OWNER on account of Work done under the Contract referred to above have been applied on account to discharge CONTRACTOR's legitimate obligations incurred in connection with Work covered by prior Applications for Payment numbered 1 through 1 inclusive; (2) title of all Work, materials and equipment incorporated in said Work or otherwise listed in or covered by this Application for Payment will pass to OWNER at time of payment free and clear of all Liens, security interests and encumbrances (except such as are covered by a Bond acceptable to OWNER indemnifying OWNER against any such Lien, security interest or encumbrance); and (3) all Work covered by this Application for Payment is in accordance with the Contract Documents and not defective.

Dated 9/16/08

By: Raul Iglesias, Manager
Asago, LLC dba Asago Construction

State of **Texas**
County of **Hidalgo**
Subscribed and sworn to before me this 16th day of September, 2008

Claudia N. Ybarra
Notary Public
My Commission expires: 3-23-2012

CLAUDIA N. YBARRA
My Commission Expires
March 23, 2012

Payment of the above AMOUNT DUE THIS APPLICATION is recommended.

Dated 9/17/08

By: Javier Hinojosa, P.E.
JAVIER HINOJOSA ENGINEERING

INVOICE RECEIVED BY:
_____ ON 9/17/08
GOODS/SERVICES RECEIVED BY:
_____ ON _____

Asago, LLC dba Asago Construction	Contractor Name	Application No.:	1
8/11/2008	Starting Date	Application Date:	9/17/2008
	Project Ending Date	Period To:	8/31/2008
5%	Retainage Percent	Engineer Firm:	JAVIER HINOJOSA ENG.

Summary

CSJ #	CSJ Name		Schedule Value	Work Previously Completed	This Period	Total Complete to Date	Balance To Finish	Retainage	Net	Payments to Date	Payment Due
2C-1080-250	El Sol #1 Subd.	Ohio Street	$ 65,955.00	$ -	$ -	$ -	$ 65,955.00	$ -	$ -	$ -	$ -
2C-1080-250	El Sol #1 Subd.	Idaho Street	$ 68,020.00	$ -	$ 14,110.00	$ 14,110.00	$ 53,910.00	$ 705.50	$ 13,404.50	$ -	$ 13,404.50
2C-1080-250	El Sol #1 Subd.	New Mexico Street	$ 66,390.00	$ -	$ 16,310.00	$ 16,310.00	$ 50,080.00	$ 815.50	$ 15,494.50	$ -	$ 15,494.50
2C-1080-250	El Sol #1 Subd.	Alaska Avenue	$ 53,590.00	$ -	$ -	$ -	$ 53,590.00	$ -	$ -	$ -	$ -
2C-1080-250	El Sol #2 Subd.	Nevada Street	$ 60,130.00	$ -	$ -	$ -	$ 60,130.00	$ -	$ -	$ -	$ -
2C-1080-251	El Sol #2 Subd.	Montana Street	$ 55,215.00	$ -	$ -	$ -	$ 55,215.00	$ -	$ -	$ -	$ -
2C-1080-251	El Sol #2 Subd.	Kansas Street	$ 59,775.00	$ -	$ -	$ -	$ 59,775.00	$ -	$ -	$ -	$ -
2C-1080-251	El Sol #2 Subd.	Cerda Blvd.	$ 103,176.00	$ -	$ 36,042.00	$ 36,042.00	$ 67,134.00	$ 1,802.10	$ 34,239.90	$ -	$ 34,239.90
	El Sol #1 & #2	Mail Box Relocate	$ 3,750.00	$ -	$ -	$ -	$ 3,750.00	$ -	$ -	$ -	$ -
			$ 536,001.00	$ -	$ 66,462.00	$ 66,462.00	$ 469,539.00	$ 3,323.10	$ 63,138.90	$ -	$ 63,138.90

Prepared and Checked By:

Signature: _____

Printed Name: Javier Hinojosa, P.E.

Date: 9/17/08

BCAP Payment Request

Grand Total

Asago, LLC dba Asago Construction — Contractor Name
08/11/08 — Starting Date
Project Ending Date
El Sol #1 Subd - Ohio St., Idaho St., New Mexico St. & Alaska Ave. — Engineer's / County Project Description

Application No.: 1
Application Date: 09/17/08
Period To: 08/31/05
Engineer's / County Project No: 2C-1080-250

No.	Item Code	Description	Unit	Rate	Schedule Value Quan.	Schedule Value Dollars	Work Previously Completed Quan.	Work Previously Completed Dollars	This Period Quan.	This Period Dollars	Total Completed To Date Quan.	Total Completed To Date Dollars	Balance To Finish Quan.	Balance To Finish Dollars
		Paving												
1	100	Preparing ROW	STA	$ 650.00	34.33	$ 22,314.50	0.00	$ -	15.80	$ 10,270.00	15.80	$ 10,270.00	18.53	$ 12,044.50
2	134	Backfill (TY A)	STA	$ 650.00	34.33	$ 22,314.50	0.00	$ -	0.00	$ -	0.00	$ -	34.33	$ 22,314.50
3	247	FL BS (Compl In Place) (TY D GR6 CL4)	SY	$ 4.00	11707.00	$ 46,828.00	0.00	$ -	0.00	$ -	0.00	$ -	11,707.00	$ 46,828.00
4	251	Rewking BS Matrl (DC)(TY D CL2)	SY	$ 2.00	11707.00	$ 23,414.00	0.00	$ -	0.00	$ -	0.00	$ -	11,707.00	$ 23,414.00
5	262	Lime Treat for BS CRSE (NEW BS)	SY	$ 2.00	11707.00	$ 23,414.00	0.00	$ -	0.00	$ -	0.00	$ -	11,707.00	$ 23,414.00
6	502	Barricades, Signs and Traffic Handling	MO	$1,000.00	2.00	$ 2,000.00	0.00	$ -	0.50	$ 500.00	0.50	$ 500.00	1.50	$ 1,500.00
7	5249	Temporary Sediment Control Fence	LF	$ 5.00	970.00	$ 4,850.00	0.00	$ -	250.00	$ 1,250.00	250.00	$ 1,250.00	720.00	$ 3,600.00
8	5249	Temporary Sediment Control Fence (REMOVE)	LF	$ 2.00	970.00	$ 1,940.00	0.00	$ -	0.00	$ -	0.00	$ -	970.00	$ 1,940.00
		Drainage												
9	530	Driveway (ASPH-CONC-PAV)(PB-1)	SY	$ 15.00	2539.00	$ 38,085.00	0.00	$ -	0.00	$ -	0.00	$ -	2,539.00	$ 38,085.00
10	530	Driveway (Concrete 300 PSI)	SY	$ 35.00	517.00	$ 18,095.00	0.00	$ -	0.00	$ -	0.00	$ -	517.00	$ 18,095.00
11	556	15" RCP Culvert Pipe	LF	$ 15.00	1880.00	$ 28,200.00	0.00	$ -	1,040.00	$ 15,600.00	1,040.00	$ 15,600.00	840.00	$ 12,600.00
12	556	18" RCP Culvert Pipe	LF	$ 20.00	420.00	$ 8,400.00	0.00	$ -	70.00	$ 1,400.00	70.00	$ 1,400.00	350.00	$ 7,000.00
13	556	30" RCP Culvert Pipe	LF	$ 30.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
14	556	Type "CC" Inlet	EA	$1,900.00	3.00	$ 5,700.00	0.00	$ -	0.00	$ -	0.00	$ -	3.00	$ 5,700.00
15	556	Safety End Treatments	EA	$ 700.00	12.00	$ 8,400.00	0.00	$ -	2.00	$ 1,400.00	2.00	$ 1,400.00	10.00	$ 7,000.00
16														
17														
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19														
20														
21														
22														
23														
24														
25						$253,955.00		$ -		$ 30,420.00		$ 30,420.00		$223,535.00

Prepared and Checked By:
Signature: [signature]
Printed Name: Javier Hinojosa, P.E.
Date: 9/17/08

Asago, LLC dba Asago Construction — Contractor Name
08/11/08 — Starting Date
Project Ending Date
El Sol #2 Subd - Nevada St., Montana St., Kansas St., & Cerda Blvd. — Engineer's / County Project Description

Application No.: 1
Application Date: 09/17/08
Period To: 08/31/08
Engineer's / County Project No: 2C-1080-251

No.	Item Code	Description	Unit	Rate	Schedule Value Quan.	Schedule Value Dollars	Work Previously Completed Quan.	Work Previously Completed Dollars	This Period Quan.	This Period Dollars	Total Completed To Date Quan.	Total Completed To Date Dollars	Balance To Finish Quan.	Balance To Finish Dollars
		Paving												
1	100	Preparing ROW	STA	$ 650.00	38.73	$ 25,174.50	0.00	$ -	13.08	$ 8,502.00	13.08	$ 8,502.00	25.65	$ 16,672.50
2	134	Backfill (TY A)	STA	$ 650.00	38.73	$ 25,174.50	0.00	$ -	0.00	$ -	0.00	$ -	38.73	$ 25,174.50
3	247	FL BS (Compl In Place) (TY D GR6 CL4)	SY	$ 4.00	13069.00	$ 52,276.00	0.00	$ -	0.00	$ -	0.00	$ -	13,069.00	$ 52,276.00
4	251	Rewking BS Matrl (DC)(TY D CL2)	SY	$ 2.00	13069.00	$ 26,138.00	0.00	$ -	0.00	$ -	0.00	$ -	13,069.00	$ 26,138.00
5	262	Lime Treat for BS CRSE (NEW BS)	SY	$ 2.00	13069.00	$ 26,138.00	0.00	$ -	0.00	$ -	0.00	$ -	13,069.00	$ 26,138.00
6	502	Barricades, Signs and Traffic Handling	MO	$1,000.00	2.00	$ 2,000.00	0.00	$ -	0.50	$ 500.00	0.50	$ 500.00	1.50	$ 1,500.00
7	5249	Temporary Sediment Control Fence	LF	$ 5.00	900.00	$ 4,500.00	0.00	$ -	0.00	$ -	0.00	$ -	900.00	$ 4,500.00
8	5249	Temporary Sediment Control Fence (REMOVE)	LF	$ 2.00	900.00	$ 1,800.00	0.00	$ -	0.00	$ -	0.00	$ -	900.00	$ 1,800.00
		Drainage												
9	530	Driveway (ASPH-CONC-PAV)(PB-1)	SY	$ 15.00	2101.00	$ 31,515.00	0.00	$ -	0.00	$ -	0.00	$ -	2,101.00	$ 31,515.00
10	530	Driveway (Concrete 300 PSI)	SY	$ 35.00	384.00	$ 13,440.00	0.00	$ -	0.00	$ -	0.00	$ -	384.00	$ 13,440.00
11	556	15" RCP Culvert Pipe	LF	$ 15.00	1560.00	$ 23,400.00	0.00	$ -	0.00	$ -	0.00	$ -	1,560.00	$ 23,400.00
12	556	18" RCP Culvert Pipe	LF	$ 20.00	420.00	$ 8,400.00	0.00	$ -	0.00	$ -	0.00	$ -	420.00	$ 8,400.00
13	556	30" RCP Culvert Pipe	LF	$ 30.00	648.00	$ 19,440.00	0.00	$ -	648.00	$ 19,440.00	648.00	$ 19,440.00	0.00	$ -
14	556	Type "CC" Inlet	EA	$1,900.00	7.00	$ 13,300.00	0.00	$ -	4.00	$ 7,600.00	4.00	$ 7,600.00	3.00	$ 5,700.00
15	556	Safety End Treatments	EA	$ 700.00	8.00	$ 5,600.00	0.00	$ -	0.00	$ -	0.00	$ -	8.00	$ 5,600.00
16														
17														
18														
19														
20														
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22														
23														
24														
25						$278,296.00		$ -		$ 36,042.00		$ 36,042.00		$242,254.00

Prepared and Checked By: Signature: _____ Date: 9/17/08
Printed Name: Javier Hinojosa, P.E.

Asago, LLC dba Asago Construction	Contractor Name	Application No.:	1
08/11/08	Starting Date	Application Date:	09/17/08
	Project Ending Date	Period To:	08/31/08
El Sol #1 & El Sol #2 Subd - Mailboxes	Engineer's / County Project Description	Engineer's / County Project No:	2C-1080-251

					Schedule Value		Work Previously Completed		This Period		Total Completed To Date		Balance To Finish	
No.	Item Code	Description	Unit	Rate	Quan.	Dollars	Quan.	Dollars	Quan.	Dollars	Quan.	Dollars	Quan.	Dollars
		Paving												
1	100	Preparing ROW	STA	$ 650.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
2	134	Backfill (TY A)	STA	$ 650.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
3	247	FL BS (Compl In Place) (TY D GR6 CL4)	SY	$ 4.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
4	251	Rewking BS Matrl (DC)(TY D CL2)	SY	$ 2.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
5	262	Lime Treat for BS CRSE (NEW BS)	SY	$ 2.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
6	502	Barricades, Signs and Traffic Handling	MO	$1,000.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
7	5249	Temporary Sediment Control Fence	LF	$ 5.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
8	5249	Temporary Sediment Control Fence (REMOVE)	LF	$ 2.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
8	5249	Relocate Mail Boxes	LS	$ 1.00	3750.00	$ 3,750.00	0.00	$ -	0.00	$ -	0.00	$ -	3,750.00	$ 3,750.00
		Drainage												
9	530	Driveway (ASPH-CONC-PAV)(PB-1)	SY	$ 15.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
10	530	Driveway (Concrete 300 PSI)	SY	$ 35.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
11	556	15" RCP Culvert Pipe	LF	$ 15.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
12	556	18" RCP Culvert Pipe	LF	$ 20.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
13	556	30" RCP Culvert Pipe	LF	$ 30.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
14	556	Type "CC" Inlet	EA	$1,900.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
15	556	Safety End Treatments	EA	$ 700.00	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -	0.00	$ -
16														
17														
18														
19														
20														
21														
22														
23														
24														
25														
						$ 3,750.00		$ -		$ -		$ -		$ 3,750.00

Prepared and Checked By: Signature: _____ Date: 9/17/08

Printed Name: Javier Hinojosa, P.E.

AI-11385 **19.K.1.**

SIMPLEXGRINNEL (Annual Inspection-Fire Alarm & Sprinkler Suppression Systems)

CC REGULAR

Date: 09/30/2008
Submitted By: Vangie Garcia, PURCHASING DEPT.
Submitted For: Joe Lopez
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Adult Probation

Information

CAPTION

Presentation for discussion, consideration, and approval of documentation of proposal received from awarded vendor "SimplexGrinnell LP" through Hidalgo County's membership/participation through "TXMAS Contract-5-03FAC010" in the amount of $2,265.68, for the annual inspection on fire and sprinkler alarms (to include semi-annual and quarterly testing) for Hidalgo County Community Supervision And Corrections Department, aka Adult Probation.

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2208 **ACCT. #:** 8-1100-419-40-220-001-0-431
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Available Balance as of 9-26-08 $8,675.99.

Attachments

Link:
SIMPLEXGRINNELL'S PROPOSAL FOR ADULT PROBATION

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 12:57 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 03:04 PM	APRV
3	Ivan Cantu	Ivan Cantu	09/26/2008 09:46 AM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 03:48 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 04:37 PM	APRV

Form Started By: Vangie Garcia Started On: 09/24/2008 04:20 PM

Final Approval Date: 09/26/2008

SimplexGrinnell LP
1200 E. Hackberry Ave Suite A
McAllen, TX 78503

Phone: (956) 618-5284
Fax: (956) 686-9045

www.simplexgrinnell.com

July 10, 2008

Hidalgo County Adult Probation
3100 S Bus Hwy 281
Edinburg, Texas 78539

Mr. Flores,

The following proposal between SimplexGrinnell and The Hidalgo County Buildings and Grounds has been priced using the following TXMAS Contract number: TXMAS-5-03FAC010, pricing is effective February 1, 2008 through January 31, 2012. Upon annual anniversary date, a new PO will be issued for years 2-5 on an annual basis. Hidalgo County Buildings and Grounds reserve the right to cancel the agreement, after the first year, with a written 30 day notice.

The agreement includes annual inspections on fire alarm and sprinkler and semi-annual inspections for suppression systems. Tampers and flows will be tested in accordance with fire alarm NFPA 72, on a semi-annual basis and pre-action valves will be tested quarterly.

Please post the following TXMAS Contract number: **TXMAS-5-03FAC010** for reference on all correspondence to include purchase orders.

Hourly bill rates outside the contract is as follows: (TXMAS rates)

25% off list price for all parts

Fire Alarm-Conventional
straight time $89.77 per hour
overtime $134.66 per hour

Fire Alarm-Addressable
straight time $108.73 per hour
overtime $163.09 per hour

Sprinkler
straight time $94.91 per hour
overtime $142.37 per hour

Suppression
straight time $89.78 per hour
overtime $134.66 per hour

Annual price breakdown: See attached spreadsheet for detail

Sept 1, 2008- August 31, 2009

Sprinkler $1,012.15
Fire Alarm $897.97
Suppression $355.56

Total $2,265.68

Burton VanBuren
Sales Representative, SimplexGrinnell

Hidalgo County

Note: Prices reflect work performed using Dallas wage rates. Prices of other locations are automatically adjusted based on the prevailing wage rate in the area where work is performed.	Contractor:			SimplexGrinnell GSA Schedule
	SimplexGrinnell	(District #)	493	Fire Alarm & Suppression Services : GS-06F-0054N
	Street:	1200 E Hackberry Ave Ste A		Suppression Services - SIN 561-002
	City:	McAllen		Modification FX04 / 12-05-2003
	State:	TX		TXMAS- 5-03FAC010
	Phone #:	956-681-5284		

State	TX	<----(Use first Scroll Bar to select **state** where work is to be performed.)
City	RIO GRANDE VALLEY	<--(Use second Scroll Bar to select **city** where work is to be performed, **if city not listed, select the nearest city**. (You can also click on the Wage Rate tab for alphabetical listing of cities.)
Facility Name	HC Adult Probation	
Address	3100 S Bus HWY 281	
Zip Code	78539	
Wage Rate	$ 13.50	
Health & Welfare	$ 1.16	
Total	$ 14.66	Enter quantity of each of desired line items below the rose colored boxes
Wage Rate Multiplier	0.87	Total Price will automatically be calculated at bottom of sheet.

LINE ITEMS - Suppression Services SIN 561-002	Annual Inspect & Report	Qty	Sub-total	Semi-Annual Inspect & Report	Qty	Sub-total	Quarterly Inspect & Report	Qty	Sub-total	Inspection & Annual Full Maint.	Qty	Sub Total Annual Full Maint.
Fire Sprinkler Systems												
Wet Pipe Inspection (Includes (1) Riser)	$ 149.63	1	$ 149.63	$ 369.08		$ -	$ 498.75		$ -	$ 1,304.73		$ -
Each Additional Riser (Tamper & Flow)	$ 74.81		$ -	$ 94.76		$ -	$ 224.44		$ -	$ 391.02		$ -
Each additional floor control assembly inspection (tamper & flow)	$ 24.94		$ -	$ 49.88		$ -	$ 99.75		$ -	$ 254.61		$ -
Dry sprinkler trip test *****	$ 149.63		$ -							$ 705.23		$ -
**** Dry sprinkler trip test NYC (Add)	$ 137.16		$ -									
Dry Standpipe Hydrostatic Test (each)	$ 648.38		$ -									
Dry sprinkler pre-action or mechanical trip test	$ 124.69		$ -							$ 680.30		$ -
5-Year Certification Test (1) Riser & (1) FDC	$ 249.38		$ -									
5-Year Certification Test, Each Additional Riser - not primary	$ 99.75		$ -									
Deluge system inspection (Quarterly Price Reflects Trip Test)	$ 523.69		$ -				$ 648.38		$ -	$ 1,473.31		$ -
Antifreeze Loop System (Antifreeze Test)	$ 124.69		$ -									
Private Yard Hydrant flow test	$ 134.66		$ -							$ 798.00		$ -
Post Indicator Valves	$ 19.95		$ -									
NYC Monthly Sprinkler Test	$ 1,496.25		$ -									
NYC Monthly Sprinkler Test add'l risers	$ 1,197.00		$ -									

LINE ITEMS - Suppression Services SIN 561-002	Annual Inspect & Report	Qty	Sub-total	Semi-Annual Inspect & Report	Qty	Sub-total	Quarterly Inspect & Report	Qty	Sub-total	Inspection & Annual Full Maint.	Qty	Sub Total Annual Full Maint.
Fire Pumps												
Fire Pump inspection (up to 75 gpm)	$ 349.13		$ -				$ 1,346.63		$ -	$ 1,029.92		$ -
Full Flow Pump Test (250 gpm)	$ 349.13		$ -				$ 1,346.63		$ -	$ 1,238.90		$ -
Full Flow Pump Test (500 gpm)	$ 548.63		$ -				$ 1,546.13		$ -	$ 2,062.83		$ -
Full Flow Pump Test (750 gpm)	$ 648.38		$ -				$ 1,645.88		$ -	$ 2,347.12		$ -
Full Flow Pump Test (1000 gpm)	$ 698.25		$ -				$ 1,695.75		$ -	$ 2,987.51		$ -
Full Flow Pump Test (1500 gpm)	$ 1,246.88		$ -				$ 2,244.38		$ -	$ 4,052.84		$ -
Full Flow Pump Test (2500 gpm)	$ 1,396.50		$ -				$ 2,394.00		$ -	$ 4,478.78		$ -
Fire Pump Inspection New York City	$ 920.77		$ -									
Fire Pump Inspection City of Boston	$ 680.10		$ -									
Back Flow Preventers												
Back Flow Preventer Inspection	$ 149.63	1	$ 149.63									
Back Flow Inspection - Maryland (Licensed Plumber Required)	$ 249.38		$ -									
Back Flow Inspection - Illinois (Licensed Plumber Required)	$ 314.21		$ -									
Double Check Bypass - Illinois	$ 448.88		$ -									
Back Flow Inspection - Louisianna (Licensed Plumber Required)	$ 374.06		$ -									
Back Flow Inspection - Indiana (Licensed Plumber Required)	$ 374.06		$ -									
Back Flow Inspection - Minnesota (Licensed Plumber Required)	$ 374.06		$ -									
OPEN MARKET												
Non Line Items (list below)												
Building walk thru	$ 100.00	1	$ 100.00	$ -		$ -	$ -		$ -	$ -		$ -
KNOX-BOX #3270 w/Hinged door	$ 417.70	1	$ 417.70	$ -		$ -	$ -		$ -	$ -		$ -
KNOX 2.5" Locking FDC Plug	$ 207.10	2	$ 414.20	$ -		$ -	$ -		$ -	$ -		$ -
	$ -		$ -	$ -		$ -	$ -		$ -	$ -		$ -
	$ -		$ -	$ -		$ -	$ -		$ -	$ -		$ -
	$ -		$ -	$ -		$ -	$ -		$ -	$ -		$ -
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	$ -		$ -	$ -		$ -	$ -		$ -	$ -		$ -
	$ -		$ -	$ -		$ -	$ -		$ -	$ -		$ -

LINE ITEMS - Suppression Services SIN 561-002	Annual Inspect & Report	Qty	Sub-total	Semi-Annual Inspect & Report	Qty	Sub-total	Quarterly Inspect & Report	Qty	Sub-total	Inspection & Annual Full Maint.	Qty	Sub Total Annual Full Maint.
	Initial Test & Inspect. Sub Total:		$ 1,231.15	Semi-Annual Inspect & Report Sub Total:		$ -	Quarterly Inspect & Report Sub Total:		$ -	Annual Full Maint. Sub Total:		$ -
	Negotiated 5% Discount		$ 61.56	Negotiated 5% Discount		$ -	Negotiated 5% Discount		$ -	Negotiated 5% Discount		$ -
	Sub Total with discount		$ 1,169.59	Sub Total with discount		$ -	Sub Total with discount		$ -	Sub Total with discount		$ -
Autofilled from above selection>	Wage Rate Multiplier		0.87	Wage Rate Multiplier		0.87	Wage Rate Multiplier		0.87	Wage Rate Multiplier		0.87
	Sub Total		$ 1,012.15	Sub Total		$ -	Sub Total		$ -	Sub Total		$ -
You must **type** in tax rate if applicable>	Tax			Tax			Tax			Tax		
	Sub Total		$ 1,012.15	Sub Total		$ -	Sub Total		$ -	Sub Total		$ -
If a Reduction is needed, **type** it in here	Addt'l Reduction		$ -	Addt'l Reduction		$ -	Addt'l Reduction		$ -	Addt'l Reduction		$ -
	Total		$ 1,012.15	**Total**		$ -	**Total**		$ -	**Total**		$ -

Zip Code	78539	**Order Total**
Facility Name	HC Adult Probation	
Address	3100 S Bus HWY 281	**$ 1,012.15**
City	Edinburg	
State	TX	

The below hourly charges are for Labor only. All rates listed are to be given 5% discount, then multiplied by the Wage Rate multiplier.

Suppression
Rates - NICET Level II Technician

	Per Hour
Additional Labor services, during normal working hours per hour	$94.91
Additional Labor services, outside normal working hours per hour	$142.37
Repair Services during normal hours per hour	$94.91
Repair services outside normal hours per hour	$142.37

Suppression
Rates - NICET Level III Technician

	Per Hour
Additional Labor services, during normal working hours per hour	$94.91
Additional Labor services, outside normal working hours per hour	$142.37
Repair Services during normal hours per hour	$94.91
Repair services outside normal hours per hour	$142.37

Note: Prices reflect work performed using Dallas wage rates. Prices of other locations are automatically adjusted based on the prevailing wage rate in the area where work is performed.	Contractor:			SimplexGrinnell GSA Schedule	
	SimplexGrinnell	(District #)	493	Fire Alarm & Suppression Services :	GS-06F-0054N
	Street:	1200 E Hackberry Ave Ste A		Fire Alarm Services - SIN 561-001	
	City:	McAllen		Modification FX04 / 12-05-2003	
	State:	TX			
	Phone #:	956-681-5284			

State	TX	<----(Use first Scroll Bar to select **state** where work is to be performed.)
City	RIO GRANDE VALLEY	<--(Use second Scroll Bar to select closest **city** where work is to be performed)
Facility Name	Hidalgo County Adult Probation	
Address	3100 B S Bus Hwy 281	
Zip Code	78539	
Wage Rate	$ 13.50	
Health & Welfare	$ 1.16	
Total	$ 14.66	Enter quantity of each of desired line items below the rose colored boxes
Wage Rate Multiplier	0.87	Total Price will automatically be calculated at bottom of sheet.

LINE ITEMS - Fire Alarm Contract (Addressable) SIN 561-001	Initial Test, Inspect, & Report	Qty	Sub-total	Annual Full Maint.	Qty	Sub Total Annual Full Maint.
Control Equipment						
Control Panel Monitored	$ 149.63	1	$ 149.63	$ 1,122.19		$ -
Additional Panel (each)	$ 74.81		$ -	$ 798.00		$ -
Control Panel Unmonitored	$ 149.63		$ -	Test Only		
Control Panel Special Systems (ie preaction, CO2, Halon alternative, etc)	$ 149.63	1	$ 149.63	$ 543.64		$ -
Control Panel Central Transmitter	Included					
Central Station Receiver	Included					
Annunciator LED type	$ 49.88	1	$ 49.88	$ 81.80		$ -
Annunciator graphical type	$ 49.88		$ -	$ 74.81		$ -
CPU graphical display	Included			Test Only		
Monitor modules	Included			$ 9.98		$ -
Control modules	$ 2.99		$ -	$ 9.98		$ -
Notification appliance module	Included			$ 4.99		$ -
NAC Power Extender (Includes Battery Testing)	$ 49.88	3	$ 149.63	$ 199.50		$ -
Batteries						
Battery testing - lead acid	$ 24.94		$ -	$ 36.91		$ -
Battery testing -gel cell	$ 24.94		$ -	$ 36.91		$ -
Battery testing - Ni-Cad	$ 24.94		$ -	$ 36.91		$ -
Battery charger	Included			Included		

LINE ITEMS - Fire Alarm Contract (Addressable) SIN 561-001	Initial Test, Inspect, & Report	Qty	Sub-total							Annual Full Maint.	Qty	Sub Total Annual Full Maint.
Emergency voice/alarm												
Emerg. Telephone	$ 2.99		$ -							$ 28.93		$ -
Phone Jacks	$ 2.99		$ -							$ 9.98		$ -
Call-in signal; off-hook indicator	Included									Included		
amplifier & tone generators	Included									Included		
Initiating Devices (price per device)												
Duct detector	$ 34.91	10	$ 349.13							$ 35.91		$ -
heat detector: restorable	$ 9.98	1	$ 9.98							$ 8.98		$ -
heat detector: non-restorable	$ 9.98		$ -							$ 8.98		$ -
smoke detector: photoelectric (Includes Cleaning)	$ 12.97	4	$ 51.87							$ 16.96		$ -
smoke detector: beam detection	$ 12.97		$ -							$ 179.55		$ -
smoke detector: ionization	$ 9.98		$ -							$ 14.96		$ -
smoke detector: laser	$ 19.95		$ -									
Fire Alarm Box, Manual, Uncoded	$ 2.99		$ -							$ 8.98		$ -
Fire Alarm Box, Manual, Coded	$ 2.99		$ -							$ 29.93		$ -
Sensitivity Test	$ 19.95		$ -							Test Only		
Flame Detector	$ 19.95		$ -							$ 99.75		$ -
Gas Detector	$ 19.95		$ -							$ 29.93		$ -
Elevator Shunt Trip Test	$ 19.95		$ -							Test Only		
Supervisory Devices (price per device)												
Fire Supervisory Signal, Emergency	$ 5.99		$ -							$ 14.96		$ -
Fire Supervisory Signal, Air Pressure	$ 5.99		$ -							$ 14.96		$ -
Fire Supervisory Signal, Fire Pump	$ 5.99		$ -							$ 14.96		$ -
Misc												
Water tank; low level	$ 2.99		$ -							$ 14.96		$ -
Water tank; high level	$ 2.99		$ -							$ 14.96		$ -
Water tank; temperature	$ 2.99		$ -							$ 14.96		$ -
Alarm Notification Appliances (price												
Fire Alarm, Bell	$ 2.99	1	$ 2.99							$ 9.98		$ -
Speakers	$ 2.99		$ -							$ 9.98		$ -
Fire Alarm Visual Device	$ 2.99	18	$ 53.87							$ 19.95		$ -
Horns	$ 2.99	42	$ 125.69							$ 17.96		$ -
chimes	$ 2.99		$ -							$ 9.98		$ -

LINE ITEMS - Fire Alarm Contract (Addressable) SIN 561-001	Initial Test, Inspect, & Report	Qty	Sub-total	Annual Full Maint.	Qty	Sub Total Annual Full Maint.
Misc						
Fire Alarm System Recorder	$ 2.99		$ -	Test Only		
Fire Alarm System Event Printer	$ 2.99		$ -	$ 131.67		$ -
Door closer	$ 5.99		$ -	$ 29.93		$ -
Smoke Dampers	$ 34.91		$ -	$ 99.75		$ -
Monitoring						
Central Station Monitoring Fee(Fire)	$ 287.28		$ -			
Combo Fire & Security Monitoring	$ 406.98		$ -			
Digital Communicator and programming	$ 698.25		$ -			
Reprogramming	$ 90.77		$ -			
Elevator Monitoring (per unit)	$ 179.55		$ -			
OPEN MARKET						
Non Line Items (list below)						
	$ -		$ -	$ -		$ -
	$ -		$ -	$ -		$ -
	$ -		$ -	$ -		$ -
	$ -		$ -	$ -		$ -
	$ -		$ -	$ -		$ -
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	$ -		$ -	$ -		$ -
	$ -		$ -	$ -		$ -
	$ -		$ -	$ -		$ -

	Initial Test & Inspect. Sub Total:	$ 1,092.26		Annual Full Maint. Sub Total:	$ -
	Negotiated 5% Discount	$ 54.61		Negotiated 5% Discount	$ -
	Sub Total with discount	$ 1,037.65		Sub Total with discount	$ -
Autofilled from above selection>	Wage Rate Multiplier	0.87	**Autofilled** from above selection>	Wage Rate Multiplier	0.87
	Sub Total	$ 897.97		Sub Total	$ -
You must **type** in tax rate if applicable>	Tax		You must **type** in tax rate if applicable>	Tax	
	Sub Total	$ 897.97		Sub Total	$ -
If a Reduction is needed, **type** it in here>	Addt'l Reduction	$ -	If a Reduction is needed, **type** it in here>	Addt'l Reduction	$ -
	Total	$ 897.97		**Total**	$ -

Zip Code	78539	**Order Total**
Facility Name	Hidalgo County Adult Probation	
Address	3100 B S Bus Hwy 281	**$ 897.97**
City	Edinburg	
State	TX	

LINE ITEMS - Fire Alarm Contract (Addressable) SIN 561-001	Initial Test, Inspect, & Report	Qty	Sub-total							Annual Full Maint.	Qty	Sub Total Annual Full Maint.
The below hourly charges are for Labor only. All rates listed are to be given 5% discount, then multiplied by the Wage Rate multiplier.												

Fire Alarm Technician (Software Based)

Rates - NICET Level II Technician	Per Hour
Additional Labor services, during normal working hours per hour	$108.73
Additional Labor services, outside normal working hours per hour	$163.09
Repair Services during normal hours per hour	$108.73
Repair services outside normal hours per hour	$163.09

Fire Alarm Technician (Software Based)

Rates - NICET Level III Technician	Per Hour
Additional Labor services, during normal working hours per hour	$108.73
Additional Labor services, outside normal working hours per hour	$163.09
Repair Services during normal hours per hour	$108.73
Repair services outside normal hours per hour	$163.09

Note: Prices reflect work performed using Dallas wage rates. Prices of other locations are automatically adjusted based on the prevailing wage rate in the area where work is performed.	Contractor:			SimplexGrinnell GSA Schedule
	SimplexGrinnell	(District #)	493	Fire Alarm & Suppression Services : GS-06F-0054N
	Street:	1200 E Hackberry Ave Ste A		New Products - Services - SIN 541-099
	City:	McAllen		Modification FX04 / 12-05-2003
	State:	TX		TXMAS- 5-03FAC010
	Phone #:	956-681-5284		

State	TX	<----(Use first Scroll Bar to select **state** where work is to be performed.)
City	RIO GRANDE VALLEY	<--(Use second Scroll Bar to select **city** where work is to be performed, **if city not listed,**
Facility Name	Hidalgo County Adult Probation	
Address	3100 S Bus HWY 281	
Zip Code	78539	
Wage Rate	$ 13.50	
Health & Welfare	$ 1.16	
Total	$ 14.66	Enter quantity of each of desired line items below the rose colored boxes
Wage Rate Multiplier	0.87	Total Price will automatically be calculated at bottom of sheet.

LINE ITEMS- New Products & Services SIN 541-099	Annual Inspect & Report	Qty	Sub-total	Semi-Annual Inspect & Report	Qty	Sub-total				Inspection & Annual Full Maint.	Qty	Sub Total Annual full Maint.
Special Hazard / Gas Suppression Systems												
Clean Agent System Inspection	$ 199.50	1	$ 199.50	$ 399.00		$ -						
Clean Agent additional cylinder < 350 lbs	$ 99.75		$ -	$ 199.50		$ -						
Clean Agent additional cylinder > 350 lbs	$ 149.63		$ -	$ 299.25		$ -						
Clean Agent door (room integrity) fan test	$ 997.50		$ -									
Clean Agent hose reel service (each)	$ 49.88		$ -									
Clean Agent "puff test" per hazard	$ 99.75		$ -									
Clean Agent selector valve test	$ 74.81		$ -									
CO2 High Pressure / Inergen initial cylinder	$ 199.50		$ -	$ 399.00		$ -						
CO2 High Pressure / Inergen additional cylinder	$ 24.94		$ -	$ 49.88		$ -						
CO2 High Pressure hydrostatic testing and recharge system cylinders (up to 3)	$ 448.88		$ -									
CO2 High Pressure additional cylinder (includes rebuild kit)	$ 149.63		$ -									
CO2 Low Pressure refrigerator unit test initial bulk tank	$ 498.75		$ -	$ 997.50		$ -						
CO2 Low Pressure mini bulk	$ 374.06		$ -	$ -								
Industrial Dry Chem initial cylinder 100 lbs or less	$ 149.63		$ -	$ 299.25		$ -						
Industrial Dry Chem additional cylinder 100 lbs or less	$ 74.81		$ -	$ 149.63		$ -						
Industrial Dry Chem inspect or replace fusible link	$ 14.96		$ -									
Additional skid unit per pound	$ 0.75		$ -									
Foam Agent Fire Suppression Systems												
Foam proportioning unit hydromatic valve	$ 149.63		$ -							$ 770.57		$ -
Foam lab analysis	$ 199.50		$ -									
Foam concentrate test	$ 448.88		$ -									
Foam monitor	$ 149.63		$ -							$ 925.18		$ -
Foam pump	$ 448.88		$ -									
Foam strainer	$ 149.63		$ -							$ 770.57		$ -

LINE ITEMS- New Products & Services SIN 541-099	Annual Inspect & Report	Qty	Sub-total	Semi-Annual Inspect & Report	Qty	Sub-total				Inspection & Annual Full Maint.	Qty	Sub Total Annual full Maint.
Kitchen Fire Suppression Systems												
Kitchen Suppression System inspection (includes up to 3 fusible links)	$ 89.78		$ -	$ 179.55		$ -						
Additional cylinders	$ 29.93		$ -	$ 59.85		$ -						
Additional fusible links (ea)	$ 5.99		$ -									
Additional systems (within specified facility; includes up to 3 links each)	$ 49.88		$ -	$ 99.75		$ -						
				$ -								
Portable Fire Extinguishers												
Annual inspection & tag (ea)	$ 2.99		$ -							$ 11.97		$ -
Additional tear down fee (CA or NV) ea.	$ 8.48		$ -									
Inspection service maint. NYC additional	$ 4.99		$ -									
Recharge protection fee (additional)	$ 2.99		$ -							$ 2.99		$ -
Inspection service maint. Wheeled unit	$ 74.81		$ -									
Inspection: Clean Agent, Halotron, Halon	$ 17.96		$ -									
Inspection: CO2, K & D Class, Foam	$ 7.98		$ -									
Fire Hose Inspection												
Fire Hose Inspection and rerack (ea)	$ 14.96		$ -									
Fire Hose Hydrostatic test & rerack	$ 24.94		$ -									
Self-Contained Breathing Apparatus												
SCBA Inspection (ea)	$ 37.41		$ -									
SCBA Inspection Posi-check test (ea)	$ 64.84		$ -									
SCBA Hydrostatic test (ea)	$ 34.91		$ -									
Emergency Lighting												
Emergency Light Inspection	$ 9.98		$ -							$ 34.91		$ -
Emergency Exit Sign with Battery Pack	$ 9.98		$ -							$ 34.91		$ -
AC only Exit Sign	$ 4.99		$ -							$ 19.95		$ -
Intrusion System Inspection												
Control Panel	$ 149.63		$ -							$ 503.24		$ -
Key Pad	$ 9.98		$ -							$ 30.07		$ -
Door Contacts	$ 9.98		$ -							$ 19.95		$ -
Glass Break	$ 9.98		$ -							$ 27.23		$ -
Motion Detector	$ 9.98		$ -							$ 41.60		$ -
Siren	$ 9.98		$ -							$ 23.94		$ -
Hold-up button	$ 9.98		$ -							$ 9.98		$ -
Access Control Maintenance												
Isecure Pro	$ 399.00		$ -							$ 1,089.27		$ -
File Server	$ 399.00		$ -							$ 1,635.90		$ -
Workstation	$ 399.00		$ -							$ 1,253.86		$ -
Card Reader	$ 4.99		$ -							$ 36.66		$ -
Magnetic Lock	$ 4.99		$ -							$ 64.09		$ -
Electric Door Strike	$ 4.99		$ -							$ 39.40		$ -
Terminal Controller (each)	$ 9.98		$ -							$ 128.18		$ -
Request to Exit Sensor	$ 4.99		$ -							$ 25.69		$ -
Exit Button	$ 4.99		$ -							$ 17.46		$ -

LINE ITEMS- New Products & Services SIN 541-099	Annual Inspect & Report	Qty	Sub-total	Semi-Annual Inspect & Report	Qty	Sub-total				Inspection & Annual Full Maint.	Qty	Sub Total Annual full Maint.
Closed Circuit Television (CCTV) Maintenance												
Multiplexer	$ 149.63		$ -							$ 605.98		$ -
Color Camera (Indoor)	$ 19.95		$ -							$ 80.80		$ -
Color Camera (Outdoor)	$ 19.95		$ -							$ 102.74		$ -
Black & White Camera	$ 19.95		$ -							$ 69.83		$ -
20 " Color Monitor	$ 9.98		$ -							$ 78.80		$ -
Monitor (Black & White)	$ 9.98		$ -							$ 45.89		$ -
Switcher	$ 9.98		$ -							$ 73.32		$ -
VCR -Cleaning, Annual Rebuild	$ 19.95		$ -							$ 201.50		$ -
Lenses Cleaning / Focus	$ 24.94		$ -									
Pan / Tilt	$ 149.63		$ -							$ 213.22		$ -
Controller	$ 19.95		$ -							$ 201.50		$ -
Key Board	$ 2.99		$ -							$ 21.95		$ -
Sound & Communication System Maintenance												
Intercom System	$ 19.95		$ -									
Program Monitor Panel	$ 19.95		$ -							$ 201.50		$ -
Administration Phone	$ 2.99		$ -							$ 35.16		$ -
Desk Phone	$ 2.99		$ -							$ 16.51		$ -
Loud Speaker	$ 2.99		$ -							$ 19.25		$ -
Loud Speaker Amplifier	$ 2.99		$ -							$ 32.97		$ -
Paging Horn	$ 2.99		$ -							$ 21.99		$ -
5195 Telephone PBX	$ 149.63		$ -							$ 1,044.88		$ -
Console	$ 19.95		$ -							$ 234.41		$ -
LCD Phone	$ 2.99		$ -							$ 54.91		$ -
T-1 Interface	$ 2.99		$ -							$ 356.66		$ -
Nurse Call System Inspection												
Master Station	$ 149.63		$ -							$ 408.48		$ -
Central Processing Unit	$ 19.95		$ -							$ 804.98		$ -
Monitor	$ 4.99		$ -							$ 61.89		$ -
Bath Switch	$ 4.99		$ -							$ 16.36		$ -
Dome Light	$ 4.99		$ -							$ 11.20		$ -
Bed Patient Stations	$ 4.99		$ -							$ 75.06		$ -
Call Cords	$ 5.00		$ -							$ 14.16		$ -
OPEN MARKET												

LINE ITEMS- New Products & Services SIN 541-099	Annual Inspect & Report	Qty	Sub-total	Semi-Annual Inspect & Report	Qty	Sub-total				Inspection & Annual Full Maint.	Qty	Sub Total Annual full Maint.
Non Line Items (list below)												
CTF	$ 233.00	1	$ 233.00	$ -		$ -				$ -		$ -
	$ -		$ -	$ -		$ -				$ -		$ -
	$ -		$ -	$ -		$ -				$ -		$ -
	$ -		$ -	$ -		$ -				$ -		$ -
	$ -		$ -	$ -		$ -				$ -		$ -
	$ -		$ -	$ -		$ -				$ -		$ -
	$ -		$ -	$ -		$ -				$ -		$ -
	$ -		$ -	$ -		$ -				$ -		$ -
	$ -		$ -	$ -		$ -				$ -		$ -
	$ -		$ -	$ -		$ -				$ -		$ -

	Initial Test & Inspect. Sub Total:	$ 432.50	Semi-Annual Inspect & Report Sub Total:	$ -		Annual Full Maint. Sub Total:	$ -
	Negotiated 5% Discount	$ 21.63	Negotiated 5% Discount	$ -		Negotiated 5% Discount	$ -
	Sub Total with discount	$ 410.88	Sub Total with discount	$ -		Sub Total with discount	$ -
Autofilled from above selection>	Wage Rate Multiplier	0.87	Wage Rate Multiplier	0.87	<**Autofilled** from above selection>	Wage Rate Multiplier	0.87
	Sub Total	$ 355.56	Sub Total	$ -		Sub Total	$ -
You must **type** in tax rate if applicable>	Tax		Tax		<You must **type** in tax rate if applicable>	Tax	
	Sub Total	$ 355.56	Sub Total	$ -		Sub Total	$ -
If a Reduction is needed, **type** it in here>	Addt'l Reduction	$ -	Addt'l Reduction	$ -	If a Reduction is needed, **type** it in here	Addt'l Reduction	$ -
	Total	$ 355.56	**Total**	$ -		**Total**	$ -

Zip Code	78539	**Order Total**
Facility Name	Hidalgo County Adult Probation	
Address	3100 S Bus HWY 281	**$ 355.56**
City	Edinburg	
State	TX	

LINE ITEMS- New Products & Services SIN 541-099	Annual Inspect & Report	QTY	Sub-total	Semi-Annual Inspect & Report	QTY	Sub-total				Inspection & Annual Full Maint.	QTY	Sub Total Annual full Maint.

The below hourly charges are for Labor only. All rates listed are to be given 5% discount, then multiplied by the Wage Rate multiplier.

Fire Alarm Technician: Conventional (Non-Software Based Systems)

Rates - NICET Level II & III Technician	Per Hour
Additional Labor services, during normal working hours per hour	$89.78
Additional Labor services, outside normal working hours per hour	$134.66
Repair Services during normal hours per hour	$89.78
Repair services outside normal hours per hour	$134.66

Fire Alarm Technician: Addressable (Software Based Systems)

Rates - NICET Level II & III Technician	Per Hour
Additional Labor services, during normal working hours per hour	$108.73
Additional Labor services, outside normal working hours per hour	$163.09
Repair Services during normal hours per hour	$108.73
Repair services outside normal hours per hour	$163.09

Sprinkler Technician	Per Hour
Additional Labor services, during normal working hours per hour	$94.91
Additional Labor services, outside normal working hours per hour	$142.37
Repair Services during normal hours per hour	$94.91
Repair services outside normal hours per hour	$142.37

Search TXMAS Contracts: Search

Rebates: Pursuant to Texas Government Code § 2155.510(b), rebates generated from TXMAS contract purchases made using federal funds must be reported to the federal funding agency for reporting and reconciliation purchases. Each quarter of the State's fiscal year, TXMAS contractors rebate .75% of their TXMAS sales to the State of Texas via the Texas Comptroller of Public Accounts (CPA). It is the purchasing entity's responsibility to report the amount of rebate using the above percent based on the total dollar value of the TXMAS purchase order.

Example: A purchasing entity receives and uses federal funds of $50,000 to purchase items/services on a TXMAS contract. The purchasing entity must report to the federal fund-provider that a sales rebate of $375 ($50,000 * .75% = $375) will be paid to the State of Texas by the TXMAS contractor.

TXMAS

SIMPLEX GRINNELL, LP
Contract TXMAS-5-03FAC010-5

Dealer for:

SIMPLEXGRINNELL, LP

On-Line Catalog/Order Processing

FACILITIES MAINTENANCE AND MANAGEMENT

Corporate Office:
SIMPLEXGRINNELL, LP
100 SIMPLEX WAY
WESTMINSTER MA 01441

USA

Send PO to:
SIMPLEX GRINNELL -492
1070 ARION CIRCLE #102
SAN ANTONIO TX 78216

Delivery:	VARIES/SEE CONTRACT
FOB Point:	DESTINATION
Terms:	NET 30 DAYS
Remit To:	SIMPLEX GRINNELL, LP DEPT CH 10320 PALATINE IL 60055-0320 USA

USA
Vendor ID: 15826088617

Invoice From:
SIMPLEX GRINNELL-492
1070 ARION CIRCLE #102
SAN ANTONIO TX 78216
USA
Vendor ID:

Vendor ID:	15826088617
Business Type:	Large
DUNS #:	094738007
Effective:	12/6/2004
Expires:	12/28/2008

CONTACT: ANNETTE THOMPSON
Phone 512-634-1806
ATHOMPSON@TYCOINT.COM

Effective Date: This Texas Multiple Award Schedule (TXMAS) contract is effective beginning 12/6/2004 through 12/28/2008 and is automatically renewed on the date that the General Services Administration (GSA) exercises the renewal option. All State of Texas terms and conditions will continue and apply to all renewal periods by mutual agreement. The contractor has certified that the prices reflected in the contractor's catalog are the same as the prices contained in the most current modification to GSA Contract No. GS-06F-0054N.

Placement of Orders: Purchasing entities must use both the instructions on the contractor's web page and the terms and conditions in the federal supply schedule to place orders. Purchasing entities may use a either a departmental purchase order or the contractor's on-line ordering system to place orders. Purchasing entities may opt out of using the contractor's on-line ordering system if it is incompatible with the entity's purchasing procedures. The contractor is not required to accept orders below the minimum listed below. Orders between the minimum and maximum listed below are subject to GSA preferred customer pricing. For orders above the maximum, purchasing entities are entitled to negotiate for lower prices than those listed on the on-line federal supply schedule price list.

Order Limitation:
Minimum Order: N/A
Maximum Order: $750,000.00

Approved Products/Services: Only products or services listed in the CPA approved GSA contract may be purchased from this TXMAS contract, with one exception. Incidental, off-schedule items may be purchased as "best value, open

market" items provided that they are necessary for product integration or product completeness. The purchasing entity is responsible for ensuring that the quoted price for such incidental items is fair and reasonable. These incidental items may be added to the TXMAS purchase order if they are clearly labeled as "open market (OM), best value" items.

State Contracts: All Texas Council for Purchasing from People with Disabilities contracts and Texas Correctional Industries (TCI) term contracts take precedence over this TXMAS contract. If similar products or services are listed on this TXMAS contract and a CPA term contract, a determination should be made that will result in a best value purchase.

Payment Due Date: Payment will be due on the thirtieth (30) calendar day after the later of: (a) the date the State actually receives a proper invoice at the office designated in the applicable purchase order to receive it; or (b) the date the State accepts the products or services. The post mark date on the envelope for the State warrant (State's equivalent to a check) or banking information showing when a direct deposit transaction was received will be considered the date payment is made. Interest starts accruing on the first day that payment is late. The rate of interest for late payments is set at one percent per month.

Special Note: The State of Texas, including but not limited to its Agencies, cooperative purchasing members and any local governmental entity authorized by law to use the Texas Multiple Award Schedule method for purchasing is not obligated to procure any products or services from this TXMAS contract. This schedule contract shall not be construed to prevent the State from purchasing products or services using other procurement methods as authorized by law.

Keywords: Fire Alarm systems sprinklers fire pump backflow special hazard gas and foam systems kitchen hoods portable extinguishers fire hoses self-contained breathing apparatus SBCA e-lights central monitoring station remote monitoring station access control CCTV Sound and communications nurse call systems repair maintenance inspections preventative services replacement parts inventory 24/7 test life safety property manufacturers acceptance testing system certification diagnostic troubleshooting integration code compliance operator training SPS Security Professional Services first aid kits safety equipment Suppression Security SimplexGrinnell Simplex Grinnell Simplex Time Recorder fire alarm strobe horn strobe chime bell alarm smoke detector heat detector beam detector duct smoke detector pull station knox box stopper stopper II iam supervised IDNET iam relay IDNET ZAM Class B monitor fiber transfer Class A Class B Style 6 Style 4 Style Y Style Z Security monitor heat sensor smoke sensor electronics analog duct sensor housing 4-wire 2-wire multi-sensor sampling tube 2 bay door remote test

station remote alarm indicator speaker 25V 70 VRMS true alert MAPNET II addressable module MAPNET isolator module remote power supply tamper switch waterflow switch 4100U 4100 plus 4100+ Classic 4010 4005 4006 4008 4004 100 watt amplifier flex 50 amplifier flex 35 amplifier microphone enclosure fireman phone fireman hat elevator recall shunt trip high-rise evacuation single channel audio control standard message set custom labeled walktest 24 graphic I/O Style 7 distribution termination module smoke management application guide RS 232 interface card TrueAlert 12V 24V miniplex transponder fire alarm panel control panel version 8 software version 9 software master controller non-power limited option audio programming software strap underground toggle switch nipple drop concrete nut duct tape gast compressor tank base studs heavy loads HEX 3/8 inch 1/2 5/8 7/8 3/4 1.5 plate fender washer round standard lockwasher circle lag 2.5 hot seal o-ring skirt canopy hose valve wrench hydrant lock breakable complete tee elbow in unit chrome strainer brass bushing tubing sq square reducer uniflange flange grooved floor ceiling rigid clamp t-tap cross cap import gasket lube ductile concentric straight weld welding neck slip blind on vlv 300 lbs 300 pounds wafer butterfly bfly white ring outlet snap let clevis beam brace sway black bk release kwik extender support plastic split heavy gauge tolco thread no-thread attach insert rod dip gallon junction korns pack oil cutting anti-freeze sealant Teflon tape al-box measuring angle Aquarius Frequency Silent Knight Notifier EST Edwards Signaling Technology Siemens Pyrotronics FireFinder AutoCall TFX Gamewell StarCall Wheelock DX-100 VRT VLS VPS VHX VSW E700 VP VSP DV DX paging intercom Public Address system PSRAM SAFEPATH SAE solar training warranty service labor contractor construction watt required coaxial PICT JPEG EPS RAS PVC exit switches flash door control elevator control alarm inputs outputs tamper switch battery backup beige cabinet transient protection LAN WAN NIC UL map circuit readers push bar door holder rack-mount LED pluggable coils mag lock detector motion prox call-up surveillance PTZ ptz fixed parapet pendant smartcard Pelco Intellium Intellex Intelli-M Sony DSC Sensormatic Kouba Dynalock Indala HID Securitron Sentrol IPIX Intergral Andover Continuum NT 3400 Cassi Rusco DSX Siemens Amag fire, sprinkler, security, cctv, access control, suppression, extinguishers, disaster relief (is this correct), fire alarm, nursecall, monitoring, Public Address system, mass notification, special hazards, emergency light inspection

Contact Us

If you have any suggestions on how to improve TXMAS or this web site, please send an email to txmas@cpa.state.tx.us or call 512-463-8839 or 512-463-3421.

AI-11394 **19.L.1.**

Microsoft 2007 Licenses
CC REGULAR

Date: 09/30/2008
Submitted By: Matilde Faz, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Auditor's Office

Information

CAPTION

Requesting authority to purchase computer equipment, software and/or peripherals through our membership/participation with (GSA) General Services Administration with the following awarded vendor CDW Government contract #GS-35F-0195J-Requisition #140046 - for the total amount of $7,192.02

BACKGROUND

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 81100415211700010667
FUNDS AVAILABLE Y/N?: Yes **MATCHING FUNDS Y/N?:**
BUDGETARY IMPACT:

Attachments

Link: Microsoft Office Licenses

Form Routing/Status

Form Started By: Matilde Faz Started On: 09/24/2008 04:50 PM
Final Approval Date: 09/26/2008

Requisition
COUNTY AUDITOR

Req # 00140046
PO #
Date: 09/22/08

Regular # 11394 9/30/08

Bill To: x
x

Vendor : 153915
CDW GOVERNMENT INC.
75 REMITTANCE DRIVE
SUITE 1515
CHICAGO IL 60675-1515

Ship To: COUNTY AUDITOR
2802 SOUTH HIGHWAY 281
EDINBURG TX 78539

Contact: **R. EUFRACIO**
956-318-2511

Contract No:

Special Instructions:

QUANTITY	UOM	DESCRIPTION	UNIT PRICE	AMOUNT
		GSA SCHEDULE		
22	EACH	#1068836 - MICROSOFT OFFICE PROFESSIONAL PLUS 2007 - LICENSES	326.91	7,192.02
		Account No	Encumbrance	
		8-1100-415-21-170-001-0-667	7,192.02	
			Freight	.00
			Total	7,192.02
		REPORT ROAD HAZARDS 1-866-HCR-SAFE OR 1-866-427-7233		

Authorized By: _____

CDW·G® *The Right Technology. Right Away.™*

www.CDWG.com
800-808-4239

SALES QUOTATION

QUOTE NO.	ACCOUNT NO.	DATE
LVN3282	6956840	9/15/2008

BILL TO
ABEL MARTINEZ
2802 S US HIGHWAY 281

HIDALGO COUNTY/AUDITORS OFFICE
EDINBURG, TX 78539-6243

SHIP TO
HIDALGO COUNTY/AUDITORS OFFICE
2802 S US HIGHWAY 281

ABEL MARTINEZ
EDINBURG, TX 78539-6243
Contact: ABEL MARTINEZ 956-318-2511

Customer Phone # 9563182511

Customer P.O. # OFFICE X22 QUOTE

ACCOUNT MANAGER	SHIPPING METHOD	TERMS	EXEMPTION CERTIFICATE
JAY CARLILE 866-224-6448	ELECTRONIC DISTRIB	Request Terms	GOVT-EXEMPT

QTY	ITEM NUMBER	DESCRIPTION	UNIT PRICE	EXTENDED PRICE
22	1068836	MS GSA OFFICE PRO PLUS 2007 Mfg#: MLG-79P-01207 Contract: GSA SCHEDULE GS-35F-0195J	326.91	7192.02
		SUBTOTAL		7192.02
		FREIGHT		.00
		SALES TAX		.00

Backup for Req. # 140046

TOTAL ➧ US Currency 7,192.02

BUY WITH CONFIDENCE. CDW IS A FORTUNE 500 COMPANY.

CDW Government, Inc.
230 North Milwaukee Ave.
Vernon Hills, IL 60061
General Phone: 847-371-5000 Fax: 847-419-6200
Account Manager's Direct Fax: 312-705-9492

Please remit payment to:
CDW Government, Inc.
75 Remittance Drive
Suite 1515
Chicago, IL 60675-1515

AI-11086 **19.M.1.**

Laboratory Services- Hidalgo County
CC REGULAR

Date: 09/30/2008
Submitted By: Yvette Islas, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Co. Wide

Information

CAPTION

Presentation for consideration, discussion, and action (if applicable) to award to sole bid received meeting all specifications and requirements with the approval of contract for: "Laboratory Services" for Hidalgo County (RFB 08-196-08-27-otm/ysi)

BACKGROUND

letters of recommendation from user departments
participation log
tab sheet
draft contract (form approved by legal)

Fiscal Impact

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-423-32-330-001-0-331
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Juvenile Detention HM-Available Balance as of 9-25-08 $32,000.00.

FISCAL YEAR: 2008 **ACCT. #:** 8-1100-421-00-280-001-0-331
FUNDS AVAILABLE Y/N?: Y **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

Sheriff-Available Balance as of 9-25-08 $51,769.50.

Attachments

Link: bid tab08.196
Link: so.recom
Link: juv.recom
Link: contract08.196
Link: part log08.196

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/24/2008 03:59 PM	APRV

2	Budget & Management	Veronica Lopez	09/24/2008 04:18 PM	APRV
3	Ivan Cantu	Ivan Cantu	09/25/2008 08:04 AM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 11:29 AM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 01:03 PM	APRV

Form Started By: Yvette Islas Started On: 09/10/2008 02:45 PM

Final Approval Date: 09/26/2008

Exhibit "B"
Hidalgo County
"LABORATORY SERVICES"
Bid No.: 2008-I96-08-27-otm/ysi

1.	VDRL	$_____
2.	CBC w/diff and platlets	$_____
3.	Cultures (wound and urine)	$_____
4.	H & H	$_____
5.	Lithium Levels	$_____
6.	H-pylori	$_____
7.	Chem 24	$_____
8.	UA	$_____
9.	Occult Blood	$_____
10.	Carbamazipine levels	$_____
11.	Valporic acid levels	$_____
12.	Dilantin levels	$_____
13.	TSH	$_____
14.	Hgal c	$_____
15.	Liver enzyme panel	$_____
16.	Drug screens (serum and urine)	$_____
17.	Acute Hepatitis Panel	$_____
18.	Basic Metabolic Panel	$_____
19.	Comp Metabolic Panel	$_____
20.	Electrolyte Panel	$_____

Note:
Refer to Special Pricing List

21.	Hepatic Function Panel	$_____
22.	Lipid Panel	$_____
23.	Renal Function Panel	$_____
24.	CBC w Diff w Plt	$_____
25.	CBC w Diff w/o Plt	$_____
26.	CBC w/o Diff w Plt	$_____
27.	CBC w/o Diff w/o Plt	$_____
28.	Hematocrit	$_____
29.	Hemoglobin	$_____
30.	Platelet Count	$_____
31.	RBC Count	$_____
32.	WBC Count	$_____
33.	WBC Differential	$_____
34.	ABO and Rh	$_____
35.	Amylase	$_____
36.	Antinuclear Antibodies. *Results*	$_____
37.	B_{12} and Folate	$_____
38.	BUN	$_____
39.	CEA	$_____
40.	Cholesterol, Total	$_____
41.	Creatinine	$_____
42.	Digoxin	$_____
43.	FSH and LH	$_____
44.	Glucose, Plasma	$_____

45.	hCG, Beta Subunit, Qual	$_____
46.	hCG, Beta Subunit, Quant	$_____
47.	Helicobacter phylori 1gG	$_____
48.	Hemoglobin Aic w/MBG	$_____
49.	Hep B Surface Antibody	$_____
50.	Hep B Surface Antigen	$_____
51.	Hep C Antibody	$_____
52.	HIV-1 Antibodies	$_____
53.	Iron and IBC	$_____
54.	Magnesium	$_____
55.	Phenytoin	$_____
56.	Potassium	$_____
57.	PreGen-Plus	$_____
58.	Prolactin	$_____
59.	PSA	$_____
60.	Prothrombin Time (PT)	$_____
61.	PTT Activated	$_____
62.	Rheumatoid Arthritis Factor	$_____
63.	RPR	$_____
64.	Rubella Antibodies, IgG	$_____
65.	Sed Rate, Westergren	$_____
66.	T_3 Uptake	$_____
67.	Thyroid Cascade Profile	$_____
68.	Throxine (T_4)	$_____

69.	Testosterone	$_____
70.	TSH, 3rd generation	$_____
71.	Urinalysis (Microscopic on Positives)	$_____
72.	Aerobic Bacterial Culture	$_____
73.	Chlamydia/GC DNA Probe w/confirmation on positives	$_____
74.	Chlamydia/GC DNA Probe w/out confirmation	$_____
75.	Genital Culture, Routine	$_____
76.	Group B Strep Colonization Detection Cult/DNA Probe	$_____
77.	Herpes Culture	$_____
78.	Ova & Parasites	$_____
79.	Stool Culture	$_____
80.	Throat, Beta-Hemolytic Strep Cult, Group A	$_____
81.	Upper Respitory Culture, Routine	$_____
82.	Urine Culture, Routine	$_____

BIDDER/COMPANY NAME: Quest Diagnostics Incorporated
ADDRESS: 4770 Regent Blvd
CITY/STATE/ZIP: Irving, TX 76054
PHONE NO/FAX NO: 972-916-3200/972-692-7843
E-MAIL ADDRESS:
AUTHORIZED SIGNATURE:
PRINT NAME: Michael Peat Ph.D.
TITLE: Managing Director

Quest Diagnostics®

Special Pricing

fees set forth in **Attachment 1** shall increase on the date of each anniversary of the Effective Date of this Agreement, but no such increase shall exceed the annual increase in the Federal Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average, Medical Care expenditure group, or five per cent (5%), whichever is lower.

QUEST DIAGNOSTICS
HIDALGO COUNTY PRICE PROPOSAL
39680

Service Name	Quest Service Code	Quest Service Name	Proposed Fee
VDRL	30509	VDRL, SERUM	$12.00
CBC w/diff and platlets	6399	CBC (INCLUDES DIFF/PLT)	$2.75
Cultures (urine)	395	CULTURE, URINE, ROUTINE	$5.50
Cultures (wound)	4550	CULTURE, AEROBIC BACTERIA	$15.00
H & H	7998	HEMOGLOBIN & HEMATOCRIT	$4.14
Lithium Levels	613	LITHIUM	$7.00
H-pylori	29407	HELICOBACTER PYLORI IGG ANTIBODY	$12.00
Chem 24	10231	COMPREHENSIVE METABOLIC PANEL W/EGFR	$2.67
UA	3020	URINALYSIS, COMPLETE W/REFLEX TO CULTURE	$3.00
Occult Blood	35301	OCCULT BLOOD, STOOL - ONE SAMPLE	$3.00
Carbamazipine levels	329	CARBAMAZEPINE, TOTAL	$8.00
Valporic acid levels	916	VALPROIC ACID	$10.50
Dilantin levels	713	PHENYTOIN	$8.00
Dilantin levels	3189	PHENYTOIN, FREE	$26.00
TSH	899	TSH	$3.00
Hgal c	496	HEMOGLOBIN A1c	$7.00
Liver enzyme panel	10256	HEPATIC FUNCTION PANEL	$2.05
Drug screens (serum)	5229	DRUG SCREEN, COMPREHENSIVE (SERUM/PLASMA)	$52.00
Drug screens (urine)	2126	DRUG ABUSE PANEL 10-50	$15.00
Acute Hepatitis Panel	10306	HEPATITIS PANEL, ACUTE W/REFLEX	$30.00
Basic Metabolic Panel	10165	BASIC METABOLIC PANEL W/EGFR	$2.14
Comp Metabolic Panel	10231	COMPREHENSIVE METABOLIC PANEL W/EGFR	$2.67
Electrolyte Panel	34392	ELECTROLYTE PANEL	$1.78
Hepatic Function Panel	10256	HEPATIC FUNCTION PANEL	$2.05
Lipid Panel	7600	LIPID PANEL	$3.00
Renal Function Panel	10314	RENAL FUNCTION PANEL W/EGFR	$2.32
CBC w Diff w Plt	6399	CBC (INCLUDES DIFF/PLT)	$2.75
CBC w Diff w/o Plt	7210	HEMOGRAM & DIFF	$7.50
CBC w/o Diff w Plt	1759	CBC (H/H, RBC, INDICES, WBC, PLT)	$2.37
CBC w/o Diff w/o Plt	7008	HEMOGRAM	$2.13
Hematocrit	509	HEMATOCRIT	$2.06
Hemoglobin	510	HEMOGLOBIN	$2.06
Platelet Count	723	PLATELET COUNT	$1.45
RBC Count	795	ANTIBODY SCREEN, RBC W/REFL ID, TITER AND AG	$1.00
WBC Count	937	WHITE BLOOD CELL COUNT	$2.06
WBC Differential	7064	WHITE CELL COUNT & DIFF	$7.50
ABO and Rh	7788	ABO GROUP & RH TYPE	$1.75
Amylase	243	AMYLASE	$6.00
Antinuclear Antibodies. *Results*	249	ANA SCREEN EIA W/REFL TITER IFA	$3.00
B12 and Folate	7065	VITAMIN B12/FOLATE, SERUM PANEL	$18.00
BUN	294	UREA NITROGEN (BUN)	$1.56
CEA	978	CEA	$9.00
Cholesterol, Total	334	CHOLESTEROL, TOTAL	$1.00
Creatinine	375	CREATININE W/EGFR	$1.56
Digoxin	418	DIGOXIN	$6.00
FSH and LH	7137	FSH AND LH	$32.00
Glucose, Plasma	484	GLUCOSE, FASTING (P)	$3.00
hCG, Beta Subunit, Qual	8435	CHORIONIC GONADOTROPIN, QUALITATIVE	$4.50
hCG, Beta Subunit, Quant	8396	CHORIONIC GONADOTROPIN	$5.00
Helicobacter phylori IgG	29407	HELICOBACTER PYLORI IGG ANTIBODY	$12.00
Hemoglobin Aic w/MBG	8181	HEMOGLOBIN A1C WITH MPG	$7.00
Hep B Surface Antibody	4848	HEPATITIS B CORE IGM ANTIBODY	$5.00
Hep B Surface Antigen	498	HEPATITIS B SURFACE ANTIGEN W/ CONFIRMATION	$4.00
Hep C Antibody	8472	HEPATITIS C ANTIBODY	$8.00
HIV-1 Antibodies	19728	HIV 1/2 EIA ANTIBODY SCREEN W/REFLEXES	$12.00
Iron and IBC	7573	IRON AND TOTAL IRON BINDING CAPACITY	$4.37
Magnesium	622	MAGNESIUM	$6.00
Phenytoin	713	PHENYTOIN	$8.00
Potassium	733	POTASSIUM	$1.56

QUEST DIAGNOSTICS
HIDALGO COUNTY PRICE PROPOSAL
39680

Service Name	Quest Service Code	Quest Service Name	Proposed Fee
PreGen-Plus	16020	MATERNAL SCREEN 1ST TRIMESTER	$65.00
Prolactin	746	PROLACTIN	$6.00
PSA	5363	PSA, TOTAL	$5.25
Prothrombin Time (PT)	8847	PROTHROMBIN TIME WITH INR	$2.50
PTT Activated	763	PARTIAL THROMBOPLASTIN TIME, ACTIVATED	$3.00
Rheumatoid Arthritis Factor	4418	RHEUMATOID FACTOR	$4.50
RPR	799	RPR (MONITOR) W/REFL TITER	$2.50
Rubella Antibodies, IgG	802	RUBELLA IMMUNE STATUS	$1.00
Sed Rate, Westergren	809	SED RATE BY MODIFIED WESTERGREN	$3.25
T_3 Uptake	861	T-3 UPTAKE	$2.00
Thyroid Cascade Profile	7020	THYROID PANEL	$4.00
Throxine (T_4)	866	T-4, FREE	$5.00
Testosterone	873	TESTOSTERONE, TOTAL	$9.00
TSH, 3rd generation	899	TSH	$3.00
Urinalysis (Microscopic on Positives)	7909	URINALYSIS, REFLEX	$2.75
Aerobic Bacterial Culture	4550	CULTURE, AEROBIC BACTERIA	$15.00
Chlamydia/GC DNA Probe w/confirmation on positives	6919	CHLAM/N.GONO PROBE W/REFL ENDOCX OR MALE UI	$12.00
Chlamydia/GC DNA Probe w/out confirmation	6919	CHLAM/N.GONO PROBE W/REFL ENDOCX OR MALE UI	$12.00
Genitla Culture, Routine	4558	CULTURE, GENITAL	$7.00
Group B Strep Colonization Detection Cult/DNA Probe	5617	STREPTOCOCCUS, GROUP B CULTURE	$6.00
Herpes Culture	2692	CULTURE, HERPES SIMPLEX VIRUS, RAPID METHOD	$16.00
Ova & Parasites	681	OVA AND PARASITES	$11.00
Stool Culture	10045	CULTURE, STOOL (CAMPYLOBACTER, SALMONELLA/S	$25.00
Throat, Beta-Hemolytic Strep Cult, Group A	4485	STREPTOCOCCUS, GROUP A CULTURE	$6.00
Upper Respitory Culture, Routine	4482	CULTURE, NP/NASAL	$6.00
Urine Culture, Routine	395	CULTURE, URINE, ROUTINE	$5.50

Client Signature _____

Date _____

PURCHASING DEPARTMENT
County Of Hidalgo

M E M O R A N D U M

To: Juan Tapia, Procurement Specialist
Hidalgo County Sheriff's Office

From: Olga T. Montero, Yvette S. Islas, Buyers
Hidalgo County Purchasing Dept.

Date: September 3, 2008

Re: Recommendations for Bid No. 2008-196-08-27-otm

RFB No.2008-196-08-27-otm/ysi-LABORATORY SERVICES

Please review the sole bid received for the above referenced project.

Submit your recommendations as soon as possible in order to meet deadline and place on Commissioner's Court for award by next scheduled Commissioners Court.

If you should have any questions, please contact me at (956) 318-2626.

Recommended Vendor(s): Sole bid received.

Account Number(s): 8-1100-421-00-280-001-0-331

Signature

9-04-08
Date

Encl.

PURCHASING DEPARTMENT
County Of Hidalgo

M E M O R A N D U M

To: Joe Ochoa, Superintendent
Hidalgo County Juvenile Probation Department

From: Olga T. Montero, Yvette S. Islas, Buyers
Hidalgo County Purchasing Dept.

Date: September 3, 2008

Re: Recommendations for Bid No. 2008-196-08-27-otm

RFB No.2008-196-08-27-otm/ysi-LABORATORY SERVICES

Please review the sole bid received for the above referenced project.

Submit your recommendations as soon as possible in order to meet deadline and place on Commissioner's Court for award by next scheduled Commissioners Court.

If you should have any questions, please contact me at (956) 318-2626.

Recommended Vendor(s): Quest Diagnostics Clinical Lab. Inc (Sole Bidder)

Account Number(s): 81100423323300010331

Signature

9-10-08
Date

Encl.

THE STATE OF TEXAS §
§
COUNTY OF HIDALGO §

SERVICE CONTRACT
C-08-196-00-00

THIS CONTRACT is made and entered into this day_____ of **2008**, by and between the **County of Hidalgo, Texas** "County"), and _____ ("Company").

WHEREAS, Company responded to request for bids for **"Laboratory Services"**; and

WHEREAS, Company submitted a bid response to provide services in accordance with the specifications as bid, a copy of such specifications and bid response being attached hereto as Exhibits "A" (the "Services") 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 within Hidalgo County. 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 County. 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 _____ 2008 and ending _____, 2009 and may be extended at the sole discretion of County for an additional two (2) one (1) year terms.

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.

6. 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.

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

8. Company shall provide insurance in force on all its vehicles and all persons connected with providing the 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.

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

10. 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.

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

12. 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.

13. 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: **Quest Diagnostic Incorporated**
Attn: C. Chris Hale
4770 Regent Blvd
Irving Texas 75063

14. 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.

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 _____, 2008.

Hidalgo County:

ATTEST: By: _____
Juan D. Salinas, III, County Judge

_____
Arturo Guajardo, Jr. County Clerk

COMPANY:

By:_____

Printed Name:_____

Title:_____

_____

Approved by Commissioners Court on, _____

APPROVED AS TO FORM:
Atlas & Hall, LLP

By: _____
Stephen L. Crane

HIDALGO COUNTY PURCHASING DEPARTMENT
PARTICIPATING BIDDER'S LOG
SPECIFICATIONS/BID PACKETS

RFB-RFP-RFQ

BID OPENING DATE: AUGUST 27, 2008 BID OPENING TIME: 9:30 A.M.

DEPARTMENT/BID DESCRIPTION: HIDALGO COUNTY-"LABORATORY SERVICES"

BID NO.: 2008-196-08-27-otm/ysi

NAME OF VENDOR: COMPANY/FIRM	BID REQUEST *VIA	SIGNATURE (IF APPLICABLE) OR INITIALS OF STAFF ADDRESSING MAIL OUT	DATE	ADDRESS & PHONE NO
1. Quest Diagnostic Attn: Bernadette Davila	In Person	B Davila	08-14-08	1201 E Ridge Rd., Suite A McAllen, Texas 78503 Cell 956-793-5317
2. LabCorp Attn: Alberto Najara	US Mail	Y. Islas	08-14-08	240 Lindberg Ave McAllen, Texas 78501 Cell 956-379-9708 Office 956-968-0222
3. EMSL Analytical, Inc Attn: Melissa Helmick, CRMI	E-Mail	Y. Islas	08-20-08	216 S Tarrogna, Suite A Pensacola, FL 32502 877-476-5966 o 850-375-1691 m 850-438-5906 f mhelmick@EMSL.com
4. Redwood Toxicology Laboratories Attn: J. Bradley Moravez	E-Mail	Y. Islas	08-20-08	3650 Westwind Blvd Santa Rosa, CA 95403 877-467-7033 o 866-276-3912 f mhelmick@EMSL.com
5. TTI Environmental Laboratories Attn: J. Bradley Moravez	E-Mail	Y. Islas	08-20-08	2117 Arlington Downs Rd Arlington, TX 76011 817-861-5322 o 817-261-1717 f 817-366-1234 m bmoravec@ttilabs.com

6. Ana Lab Corp Attn: Becky Perez	E-Mail	Y. Islas	08-20-08	Becky-perez@sbcglobal.net

***VIA:**
IN PERSON (IP)
TELEPHONE REQUEST (TR)
BIDDER LIST MAIL OUT (BLM)
E-MAIL (EM)
FACSIMILE (FAX)

AI-11375 **19.M.2.**

Consulting Services for Part I: Self-Funded Insured Group Health and Part II: Voluntary Insurance Plans for Employees-Hidalgo County

CC REGULAR

Date: 09/30/2008
Submitted By: Gricelda Villarreal, PURCHASING DEPT.
Submitted For: Marty Salazar
Department: PURCHASING DEPT.
Agenda Area: Purchasing Department **Purchasing only:** Co. Wide

Information

CAPTION

Pursuant to Section III: Selection and Schedules in the Request for Proposal with Qualifications for: Consulting Services for Part I: Self-Funded Insured Group Health and Part II: Voluntary Insurance Plans for Employees- Hidalgo County" approval of the following:
Grading & Scoring and Evaluation of responses received in connection with RFP identified above:

A. Recommendation to assign and designate the following evaluation committee:

1. Two staff members from each: The Auditor's Office-Office of Budget & Management-Purchasing Department - total of six (6); or, in the alternative;
2. assign and designate the following evaluation committee members:
   a) _____;
   b) _____;
   c) _____;
   d) _____;
   e) _____.

BACKGROUND

Fiscal Impact

FISCAL YEAR: **ACCT. #:**
FUNDS AVAILABLE Y/N?: **MATCHING FUNDS Y/N?:**

BUDGETARY IMPACT:

No budgetary impact at this time.

Attachments

Link: Acceptance Sheet
Link: evaluation criteria

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Purchasing Department	Marty Salazar	09/25/2008 02:50 PM	APRV
2	Budget & Management	Dina Trevino	09/25/2008 02:57 PM	APRV

3	Dale Kennan	Dale Kennan	09/25/2008 04:42 PM	APRV
4	Auditor's Office	Linda Fong	09/26/2008 03:32 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 04:37 PM	APRV

Form Started By: Gricelda Villarreal Started On: 09/24/2008 03:39 PM

Final Approval Date: 09/26/2008

HIDALGO COUNTY PURCHASING DEPARTMENT
PROPOSAL ACCEPTANCE SHEET

DEPARTMENT NAME: Hidalgo County

PROPOSAL ACCEPTANCE DATE: September 10, 2008	**PROPOSAL ACCEPTANCE TIME: 9:30 A.M.**

DESCRIPTION OF PROPOSAL: Consulting Services for: Part I- Self-Funded Insured Group Health and Part II- Voluntary Insurance Plans For Employees-Hidalgo County

PROPOSAL No: 2008-195-09-10CGV

RFP/Q	NAME OF COMPANY	ACKNOWLEDGMENT OF RECEIPT OF RFP/Q RESPONSE	ADDENDUM
#01	Valley Risk Consulting McAllen, Tx	√√√√	
#02	HRH- Hilb, Rogal & Hobbs Houston, Tx	√√√√	
#03	Alamo Insurance Group, Inc. San Antonio, Tx	√√√√	
#04	Wortham Insurance & Risk Management San Antonio, Tx	√√√√	
#05			
#06			
#07			
#08			
#09			
#10			

EVALUATION CRITERIA
RFP/Q 2008-195-09-10CGV

The following evaluation criteria shall be followed in selection of those proposals being selected:

I.	**Qualifications:**		
	A.	Credentials, firm's personnel, their most recent similar projects, experience with government entities and level of commitment;	10 pts
	B.	Staffing level/experience of staff, bilingual staffing capabilities and capability to providing services;	10 pts
	C.	Experience of good organization and firm's management service	5 pts
			25 pts
II.	**Responsiveness:**		
	A.	Requested information is included, completeness and thoroughness of documentation of response;	10 pts
	B.	RFP/Q Clarity and brevity of response;	10 pts.
	C.	Location of Consultant's Office (Hidalgo County)	5 pts
			25 pts
III.	**Implementation Plan:**		
	A.	Efficiency and comprehensiveness of the methods to be used in performing the Consulting Services;	10 pts
	B.	A summary of work plan, approach, tasks and outline of information that will be required from Hidalgo County;	10 pts
	C.	Comprehensiveness of benefit offerings and quantitative analysis of benefits versus cost;	10 pts
			30 pts
IV.	**Cost**		**20 pts**

TOTAL SCORE

1.	**Qualifications**	
2.	**Responsiveness**	
3.	**Implementation Plan**	
4.	**Cost**	**100 pts**

AI-11422 **20.D.**

Civil Action No. CV-08-900006

CC REGULAR

Date: 09/30/2008
Submitted By: Norma Silva, BUDGET & MANAGEMENT
Submitted For: Valde guerra
Department: BUDGET & MANAGEMENT
Agenda Area: Closed Session

Information

CAPTION

Civil Action No. CV-08-900006; Jimmy S. Calton, Sr., and Jim S. Calton, Jr., d/b/a Calton & Calton vs Shred-it USA Inc., a foreign corporation

BACKGROUND

Fiscal Impact

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 03:26 PM	APRV
2	Auditor's Office	Linda Fong	09/26/2008 11:38 AM	APRV
3	Purchasing Department	Marty Salazar	09/26/2008 01:25 PM	APRV
4	Court Administrator	Angela Garcia	09/26/2008 01:49 PM	APRV

Form Started By: Norma Silva Started On: 09/25/2008 02:46 PM

Final Approval Date: 09/26/2008

AI-11419 **20.E.**

Case Number: M-08-268

CC REGULAR

Date: 09/30/2008
Submitted By: Norma Silva, BUDGET & MANAGEMENT
Submitted For: Valde Guerra
Department: BUDGET & MANAGEMENT
Agenda Area: Closed Session

Information

CAPTION

Case Number: M-08-268; Jessie Harper, Individually and as Administrator of the Deceased Estate of Bennie Harper vs Sheriff Guadalupe Trevino, Hidalgo County Texas Officially and Individually

BACKGROUND

Fiscal Impact

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 03:25 PM	APRV
2	Auditor's Office	Linda Fong	09/26/2008 11:38 AM	APRV
3	Purchasing Department	Marty Salazar	09/26/2008 01:25 PM	APRV
4	Court Administrator	Angela Garcia	09/26/2008 01:48 PM	APRV

Form Started By: Norma Silva Started On: 09/25/2008 02:14 PM

Final Approval Date: 09/26/2008

AI-11417 **20.F.**

Claim of Ricardo Vaiz
CC REGULAR

Date: 09/30/2008
Submitted By: Norma Silva, BUDGET & MANAGEMENT
Submitted For: Valde Guerra
Department: BUDGET & MANAGEMENT
Agenda Area: Closed Session

Information

CAPTION

Claim of Ricardo Vaiz

BACKGROUND

Fiscal Impact

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 03:06 PM	APRV
2	Ana Galvan	Anna Galvan	09/25/2008 04:21 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 11:37 AM	APRV
4	Purchasing Department	Marty Salazar	09/26/2008 01:24 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 01:48 PM	APRV

Form Started By: Norma Silva Started On: 09/25/2008 02:11 PM

Final Approval Date: 09/26/2008

AI-11409 **20.G.**

Claim of Cesar Morin

CC REGULAR

Date: 09/30/2008
Submitted By: Norma Silva, BUDGET & MANAGEMENT
Submitted For: Valde Guerra
Department: BUDGET & MANAGEMENT
Agenda Area: Closed Session

Information

CAPTION

Claim of Cesar Morin

BACKGROUND

Fiscal Impact

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 03:25 PM	APRV
2	Auditor's Office	Linda Fong	09/26/2008 11:37 AM	APRV
3	Purchasing Department	Marty Salazar	09/26/2008 01:24 PM	APRV
4	Court Administrator	Angela Garcia	09/26/2008 01:48 PM	APRV

Form Started By: Norma Silva Started On: 09/25/2008 11:14 AM

Final Approval Date: 09/26/2008

AI-11406 **20.H.**

Claim of Francisco Sanchez
CC REGULAR

Date: 09/30/2008
Submitted By: Norma Silva, BUDGET & MANAGEMENT
Submitted For: Valde Guerra
Department: BUDGET & MANAGEMENT
Agenda Area: Closed Session

Information

CAPTION

Claim of Francisco Sanchez

BACKGROUND

Fiscal Impact

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 03:25 PM	APRV
2	Auditor's Office	Linda Fong	09/26/2008 11:37 AM	APRV
3	Purchasing Department	Marty Salazar	09/26/2008 01:24 PM	APRV
4	Court Administrator	Angela Garcia	09/26/2008 01:48 PM	APRV

Form Started By: Norma Silva Started On: 09/25/2008 11:11 AM

Final Approval Date: 09/26/2008

AI-11423 **21.D.**

Civil Action No. CV-08-900006

CC REGULAR

Date: 09/30/2008
Submitted By: Norma Silva, BUDGET & MANAGEMENT
Submitted For: Valde Guerra
Department: BUDGET & MANAGEMENT
Agenda Area: Open Session

Information

CAPTION

Civil Action No. CV-08-900006; Jimmy S. Calton, Sr., and Jim S. Calton, Jr., d/b/a Calton & Calton vs Shred-It USA Inc., a foregin corporation

BACKGROUND

Fiscal Impact

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 03:25 PM	APRV
2	Auditor's Office	Linda Fong	09/26/2008 11:39 AM	APRV
3	Purchasing Department	Marty Salazar	09/26/2008 01:25 PM	APRV
4	Court Administrator	Angela Garcia	09/26/2008 01:49 PM	APRV

Form Started By: Norma Silva Started On: 09/25/2008 02:49 PM

Final Approval Date: 09/26/2008

AI-11420 **21.E.**

Case Number: M-08-268

CC REGULAR

Date: 09/30/2008

Submitted By: Norma Silva, BUDGET & MANAGEMENT

Submitted For: Valde Guerra

Department: BUDGET & MANAGEMENT

Agenda Area: Open Session

Information

CAPTION

Case Number: M-08-268; Jesse Harper, Individually and as Adminitrator of the Deceased Estate of Bennie Harper vs Sheriff Guadalup Trevino, Hidalgo County Texas Officailly and Individually

BACKGROUND

Fiscal Impact

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 03:25 PM	APRV
2	Auditor's Office	Linda Fong	09/26/2008 11:38 AM	APRV
3	Purchasing Department	Marty Salazar	09/26/2008 01:25 PM	APRV
4	Court Administrator	Angela Garcia	09/26/2008 01:49 PM	APRV

Form Started By: Norma Silva Started On: 09/25/2008 02:17 PM

Final Approval Date: 09/26/2008

AI-11418 **21.F.**

Claim of Ricardo Vaiz
CC REGULAR

Date: 09/30/2008
Submitted By: Norma Silva, BUDGET & MANAGEMENT
Submitted For: Valde Guerra
Department: BUDGET & MANAGEMENT
Agenda Area: Open Session

Information

CAPTION

Claim of Ricardo Vaiz

BACKGROUND

Fiscal Impact

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 03:07 PM	APRV
2	Veronica Ortiz	Veronica Ortiz	09/25/2008 03:35 PM	APRV
3	Auditor's Office	Linda Fong	09/26/2008 11:35 AM	APRV
4	Purchasing Department	Marty Salazar	09/26/2008 01:25 PM	APRV
5	Court Administrator	Angela Garcia	09/26/2008 01:49 PM	APRV

Form Started By: Norma Silva Started On: 09/25/2008 02:12 PM

Final Approval Date: 09/26/2008

AI-11410 **21.G.**

Claim of Cesar Morin

CC REGULAR

Date: 09/30/2008
Submitted By: Norma Silva, BUDGET & MANAGEMENT
Submitted For: Valde Guerra
Department: BUDGET & MANAGEMENT
Agenda Area: Open Session

Information

CAPTION

Claim of Cesar Morin

BACKGROUND

Fiscal Impact

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 03:25 PM	APRV
2	Auditor's Office	Linda Fong	09/26/2008 11:36 AM	APRV
3	Purchasing Department	Marty Salazar	09/26/2008 01:24 PM	APRV
4	Court Administrator	Angela Garcia	09/26/2008 01:48 PM	APRV

Form Started By: Norma Silva Started On: 09/25/2008 11:15 AM

Final Approval Date: 09/26/2008

AI-11407 **21.H.**

Claim of Francisco Sanchez
CC REGULAR

Date: 09/30/2008
Submitted By: Norma Silva, BUDGET & MANAGEMENT
Submitted For: Valde Guerra
Department: BUDGET & MANAGEMENT
Agenda Area: Open Session

Information

CAPTION

Claim of Francisco Sanchez

BACKGROUND

Fiscal Impact

Attachments

No file(s) attached.

Form Routing/Status

Route Seq	Inbox	Approved By	Date	Status
1	Budget & Management	Dina Trevino	09/25/2008 03:25 PM	APRV
2	Auditor's Office	Linda Fong	09/26/2008 11:35 AM	APRV
3	Purchasing Department	Marty Salazar	09/26/2008 01:24 PM	APRV
4	Court Administrator	Angela Garcia	09/26/2008 01:48 PM	APRV

Form Started By: Norma Silva — Started On: 09/25/2008 11:13 AM

Final Approval Date: 09/26/2008