

THE STATE OF TEXAS     §  
  §  
COUNTY OF HIDALGO     §

**SERVICE CONTRACT  
C-06-270-10-31**

THIS CONTRACT is made and entered into this 31st day of October, 2006 by and between the **COUNTY OF HIDALGO, TEXAS** ("County"), and **Roy's Hauling Services Inc.** a Texas Corporation. ("Company").

WHEREAS, Company responded to advertised notices for bids for "**Hauling of Crushed Caliche**" (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 **Precinct No. 3** This Contract does not extend to any third parties any duties or benefits conferred in any manner hereunder or otherwise.
2. Company hereby promises and agrees to render and provide, during the term of this Contract, and shall be obligated to render and provide the Services in accordance with the

Specifications within **Hidalgo County** following a request for Services by the **Commissioner of Precinct No. 3** or his designated agent. Company agrees in performing the Services that it will use proper professional standards, comply with any and all appropriate laws and regulations in providing the Services, and devote such time as is necessary to safely and efficiently provide the Services.

3. This Contract shall be for a period beginning **October 31, 2006** ending on **October 31, 2007** and 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. As a condition of this Contract, Company shall hold and maintain throughout the term of this Contract all licenses and permits required, or which may be required by any authority during the term hereof to provide the Services.

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

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

7. Company shall provide insurance in force on all its vehicles and all persons connected with providing services under this Contract naming County as an additional insured (with the coverages and in the amounts described on Exhibit "C" attached hereto and incorporated herein at

this point for all purposes), and shall furnish to County certificates of such insurance coverage.

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

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

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

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

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

If to County:

**The County of Hidalgo  
Attn: County Judge  
100 E. Cano  
Edinburg, Texas 78539**

If to Company

**Roy's Hauling Services, Inc.  
Attn: Roy Balderas, Jr.  
PO 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.

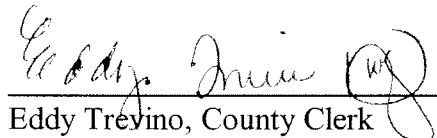
15. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Agreement.

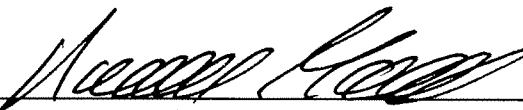
16. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and shall be performable in Hidalgo County.

WITNESS our hands in duplicate originals this \_\_\_\_\_ day of \_\_\_\_\_, 2006.


**COUNTY OF HIDALGO**

**ATTEST:**

  
Eddy Trevino, County Clerk

By:   
Ramon Garcia, County Judge

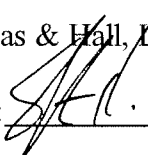
**COMPANY: Roy's Hauling Services, Inc.**

By:   
Printed Name: Ray Balderas Sr.  
Title: Vice Pres.

Approved by Commissioners' Court on October 31, 2006

APPROVED AS TO FORM:

Atlas & Hall, L.L.P.

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

**EXHIBIT “A”  
SPECIFICATIONS**

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EXHIBIT "A"

HIDALGO COUNTY - PRECINCT # 3  
"HAULING SERVICES OF CRUSHED CALICHE"  
BID NO: 06-270-10-25-jmt  
Bid Opening Date: October 25, 2006 at 9:30 AM

SPECIFICATIONS, REQUIREMENTS AND OTHER TERMS AND CONDITIONS

SCOPE OF SERVICES:

1. The requirements services contract will encompass all project-related hauling crushed caliche for the County of Hidalgo Precinct 3 including, but not limited to, the following:
  2. Hauling services will be on an **as needed basis only**.
  3. Crushed caliche will be hauled from awarded vendor **a) - Valley Caliche** contract number
  4. C-04-086B-06-15 at pit location as follows:
    - a.) BECK PIT: Address: FM 1924 and Iowa Rd. Mission, Texas
  4. Bid price must be on a **per ton basis**.
  5. Hidalgo County reserves the right to award the bid on a lump sum basis to one bidder or to multiple bidders if the County determines it is in its best interest to do so.
  6. The contract will be in effect for a period of (1) one year from bid award date with the County's option to extend for an additional year under the same terms and conditions. Prices must remain firm during the contract period.
  7. Hidalgo County-Precinct No.3 reserves the right to continue this bid for an additional sixty (60) day Grace Period at the end of the contract term for unforeseen delay in award of new bid for next contract term.
  8. Hauling of crushed caliche will be done by Precinct # 3 forces along with awarded vendor, when required.
  9. Hidalgo County - Precinct No. 3- Requires a minimum of **6 hauling trailers** that will be **available** on daily basis for this bid project to please note the make, year, model and capacity of your hauling trucks on attached **Exhibit "D"**.
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**EXHIBIT "A"**

**Cont....**

**HIDALGO COUNTY - PRECINCT # 3  
"HAULING SERVICES OF CRUSHED CALICHE"  
BID NO: 06-270-10-25-jmt  
Bid Opening Date: October 25, 2006 at 9:30 AM**

**SPECIFICATIONS, REQUIREMENTS AND OTHER TERMS AND CONDITIONS**

10. Hidalgo County - Precinct No. 3 - Requires the minimum of five (5) vendor owned trucks (proof of ownership (title) shall be furnished with bid) to be available on a daily basis.
  11. 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").
  12. **Insurance (requirements) certificates** must be submitted to Precinct 3 with copies to the Purchasing Department for approval prior to any services being performed which is applicable to both the awarded bidder and the subcontractor in accordance to **Exhibit "C" attached.**
  13. **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.**
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**EXHIBIT "B"**  
**PAYMENT SCHEDULE**

# EXHIBIT "B"

## BID FORM

### HIDALGO COUNTY PRECINCT 3 "HAULING SERVICES OF CRUSHED CALICHE" BID NO: 06-270-10-25-jmt

**Part I. AWARD WILL BE BASED ON THE LOWEST BID PER TON MEETING ALL REQUIRED SPECIFICATIONS.**

Location of Plant/ Road Materials	Total Cost Per Ton:	Fuel Costs Percentage Per Ton:	Current / Base Fuel Cost
Valley Caliche - Beck Pit			
FM 1924 and Iowa Rd. Mission, Texas			
<b>Crushed Caliche</b>	<b>\$ 4.75</b>	<b>% 75%</b>	<b>\$ 3.56</b>

#### Part II. BID PRICE ADJUSTMENT BY HIDALGO COUNTY PRECINCT NO. 3

At the time of bid opening South Texas were to experiencing high fuel prices. Therefore, Hidalgo County Precinct No. 3 is requesting pricing adjustments based on the following:

Fuel Cost Base Bid Price for project will be based on the OPIS Fuel Index for October 18, 2006. For each 10% (increase or decrease) in the OPIS index of October 18, 2006 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. 3 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. 3 reserves the right to independently verify changes in OPIS pricing and to modify an invoice amount based on a 10% change in the OPIS Index.

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

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

BIDDER/COMPANY NAME :

ROY'S HAULING SERVICE, INC.

ADDRESS:

P.O. BOX 1896

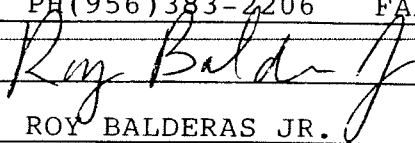
CITY/STATE/ZIP CODE:

EDINBURG, TEXAS 78540

PHONE AND FAX No:

PH(956)383-2206 FAX(956)383-2569

AUTHORIZED SIGNATURE:



PRINTED NAME:

ROY BALDERAS JR.

TITLE:

VICE-PRESIDENT

**EXHIBIT “C”  
INSURANCE**

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Client#: 9117

ROYSHAU

<b>ACORD CERTIFICATE OF LIABILITY INSURANCE</b>		DATE (MM/DD/YYYY) 11/15/06
PRODUCER <b>Hilb Rogal &amp; Hobbs</b> 1400 N McColl Rd Suite 105 P O Drawer 3785 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: <b>Roy's Hauling Service</b> P O Box 1896 Edinburg, TX 78540	INSURERS AFFORDING COVERAGE INSURER A: <b>USF Insurance Company</b> INSURER B: <b>Texas Mutual Insurance Company</b> INSURER C: INSURER D: INSURER E:	NAIC # <b>25887</b> <b>22945</b>

**COVERAGES**

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

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

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

<b>CERTIFICATE HOLDER</b>  County Of Hidalgo 100 E Cano 4th Floor Edinburg, Texas 78539	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>10</u> 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 <i>Brian E Lewis</i>
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<b>ACORD™ CERTIFICATE OF LIABILITY INSURANCE</b>		DATE 05/03/2006
PRODUCER ValMor Insurance Agency 1303 North 10th Suite 1 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 MAILING SERVICE INC. P. O. BOX 896 EDINBURG TX 78540	INSURERS AFFORDING COVERAGE	
	INSURER A:	
	INSURER B: Unitrin County Mutual Ins. Co.	
	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	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ _____ FIRE DAMAGE (Any one fire) \$ _____ MED EXP (Any one person) \$ _____ PERSONAL & ADV INJURY \$ _____ GENERAL AGGREGATE \$ _____ PRODUCTS - COMP/OP AGG \$ _____
B	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	FCNCCV2300075	08/16/2005	08/16/2007	COMBINED SINGLE LIMIT (Ea accident) \$ 500,010 BODILY INJURY (Per person) \$ _____ BODILY INJURY (Per accident) \$ _____ PROPERTY DAMAGE (Per accident) \$ _____ AUTO ONLY - EA ACCIDENT \$ _____ OTHER THAN AUTO ONLY: EA ACC AGG \$ _____
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ _____ OTHER THAN AUTO ONLY: EA ACC AGG \$ _____
	<b>EXCESS LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIBLE RETENTION \$ _____				EACH OCCURRENCE \$ _____ AGGREGATE \$ _____ \$ _____ \$ _____
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ _____ E.L. DISEASE - EA EMPLOYEE \$ _____ E.L. DISEASE - POLICY LIMIT \$ _____
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENTS/SPECIAL PROVISIONS  
 SEE ATTACHED LIST OF VEHICLES INSURED.

CERTIFICATE HOLDER COUNTY OF HILLCO	ADDITIONAL INSURED; INSURER LETTER:	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 <i>Manila Suarez</i>

# EXHIBIT "C"

## VEHICLE IDENTIFICATION LIST

### HIDALGO COUNTY PRECINCT 3 "HAULING SERVICES OF CRUSHED CALICHE"

BID No.: 06-270-10-25-jmt

Bid Opening Date: October 25, 2006 at 9:30 AM

*HIDALGO COUNTY PRECINCT NO. 3 is requesting the following information of the available hauling trucks to be utilized for this project: MAKE/MODEL, VEHICLE IDENTIFICATION NUMBERS, LICENSE PLATE NUMBERS & TONNAGE 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 use a second sheet as provided.*

YEAR MAKE and MODEL	VEHICLE IDENTIFICATION NO.	LICENSE PLATE NO.	TONS PER LOAD	VENDOR OWNED OR LEASED
2000 INTL.	2HSFTAEROYCO37950	2EP 530	20 - 24	OWNED
2000 INTL.	2HSFTAER9YCO37946	2EP 534	20 - 24	OWNED
1998 INTL.	2HSFHAER3WCO44857	2CC 289	20 - 24	OWNED
2001 STERLING	2FWJA3AV71AH86157	2CC 802	20 - 24	OWNED
2001 STERLING	2FWJA3AV21AH88205	2CC 803	20 - 24	OWNED
1999 MACK	1M1AA12Y9XW111180	2CN 504	20 - 24	OWNED