

EXHIBIT "A"

HIDALGO COUNTY - PRECINCT # 3 "HAULING SERVICES OF CRUSHED CALICHE" BID NO: 08-418-00-00-ysi

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) – **Frontera Materials** contract number E-08-084B-01-30 at pit location as follows:
 - a.) REAVIS PIT: Address: 13665 FM 2221, La Joya, 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 shall be for a period of one (1) year with the County's option to extend for an additional one (1) year term under the same rates, terms and conditions. The new contract will not take effect until the last day of the existing contract. 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 new contract term.
7. Hauling of crushed caliche will be done by Precinct # 3 forces along with awarded vendor, when required.
8. 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"**.
9. 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.
10. 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

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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").

11. **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**.
12. 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 services ordered of (c) terminated by County with thirty days written notice prior to cancellation.
13. All costs expenses associated with the preparation and submission of bids shall be the responsibility of the bidder and no reimbursement for such charges or expenses shall be passed onto Hidalgo County.
14. Hidalgo County has the authority to utilize cooperative purchasing participation and/or State Contracts when ever it is in the County's best interest to do so.
15. **BID PAGE** – Vendor must thoroughly fill in each section of the Bid Page (Exhibit "B") if applicable. **INCOMPLETE** submittals shall be considered a probable cause for disqualification.
16. **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.

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- 3) **Timeframe 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.

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.

17. Vendors submitting bid must possess all applicable permits and licenses required for the hauling of crushed caliche.

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, at 2812 South Business Highway 281, Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

ALL WRITTEN QUESTIONS WILL BE ACCEPTED VIA FACSIMILE NO LATER THAN, Wednesday, Month day, 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, Month day, 2008.

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EXHIBIT "B"

BID FORM

HIDALGO COUNTY PRECINCT No. 3 "HAULING SERVICES OF CRUSHED CALICHE" BID NO: 08-418-00-00-ysi

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

<i>SAMPLE:</i>	<i>\$ 3.00</i>	<i>25%</i>	<i>.75</i>
Location of Plant/ Road Materials	Total Cost Per Ton:	Fuel Costs Percentage Per Ton:	Current / Base Fuel Cost
Frontera Materials – Reavis Pit			
13665 FM 2221, LaJoya, Texas			
Crushed Caliche	\$	%	\$

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

At the time of bid opening South Texas was 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 the Monday before bid opening, 2008. For each 10% (increase or decrease) in the OPIS Index of the Monday, before bid opening, 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. 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 :

ADDRESS:

CITY/STATE/ZIP CODE:

PHONE AND FAX No:

AUTHORIZED SIGNATURE:

PRINTED NAME:

TITLE:

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