

EXHIBIT "A"
HIDALGO COUNTY
"HOT MIX-COLD LAID ROAD MATERIAL"
(Including all Funding Sources, Programs and Entities)
BID NO.: 2009-073-0*--YZV**

SPECIFICATIONS

The intention of this Hidalgo County Request for Bid (RFB) is to solicit bids for a term contract for "HOT MIX-COLD LAID ROAD MATERIAL". All Purchases will be on an "as needed" basis only.

Specifications, Requirements and Other Terms and Conditions:

It is intended that the amount of "Hot Mix-Cold Laid Road Material" needed by Hidalgo County will be purchased on an as needed basis. It is agreed & understood that the County will purchase no more material than is needed and on an "As Needed Basis". There is no guarantee on annual volume. Hidalgo County may seek purchases from state awarded vendors or any other cooperative purchasing programs, whenever it is in the best interest to do so.

Bid price shall be per ton.

Terms and Condition:

- 1 Term Contract:** 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.
- 2** 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, or (c) terminated by County with a thirty (30) day written notice prior to any 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.
- 3 Option to Extend:** Hidalgo County reserves the right to continue this bid for an additional sixty (60) day Grace Period, under the same rates, terms and conditions for unforeseen delay in award of new bid for next contract term.
- 4 Method of Award:**
 - a) 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 bids, due to transportation costs which must be taken into consideration if material is picked up at plant site or transported to County Precincts. Hidalgo County reserves the right to hold the bids for a period of (90) ninety days without taking action hereon.

- b) Hidalgo County reserves the right to award to one or more bidders whichever is in the best interest of the County.
- 5** Award of contract will be contingent on availability of Hidalgo County funds.
- 6** Insurance certificates "**Exhibit C**" must be submitted to the Purchasing Department and maintained thru out the term of contract prior to any services being performed by the awarded bidder.
- 7** When requested, samples shall be furnished free of expense to Hidalgo County. 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.
- 8** Testing may be performed at Hidalgo County's request anytime during the length of the contract through an independent testing laboratory.
- 9** Continuing non-performance of the bidder in terms of specifications shall be basis for the termination 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.
- 10** 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).
- 11** In the event the material furnished does not meet all the above requirements (regardless of weather, test 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.
- 12** It is expressly understood and agreed that in case Hidalgo County should need any item(s) not available within the time frame needed from the successful vendor during the term of this contract, Hidalgo County reserves the right to purchase this item 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.
- 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.

14. 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.

ADDITIONAL INFORMATION:

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, Purchasing Agent, at 100 East Cano, 4th Floor, Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

All written inquiries will be accepted via facsimile no later than, Wednesday, Month **, 2009 at 5:00 P.M. to (956) 318-2629. Responses to said inquiries will be sent to all applicants via facsimile by no later than Friday, Month **, 2009 at 5:00 P.M..