

THE STATE OF TEXAS     §  
  §  
COUNTY OF HIDALGO     §

**SERVICE CONTRACT**  
**C-08-013-04-07**

THIS CONTRACT is entered into effective as of the 7<sup>th</sup> of April, 2008 by and between the COUNTY OF HIDALGO, TEXAS ("County"), and Pavement Markings, Inc. a Texas Corporation. ("Company").

WHEREAS, Company responded to advertised notices for bids for "Striping of County Roads, Parking Lots & Miscellaneous County Owned Sites"(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 Hidalgo County for striping of county roads and parking lots. 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** 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 two (2) years beginning **April 7, 2008** and ending on **April 7, 2010** with the County's option to extend an additional one (1) year term.

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



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.

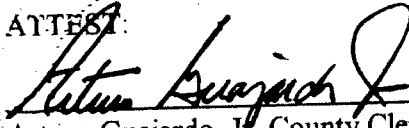
14. This Agreement may be terminated by either party without cause upon thirty (30) days written notice.

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.

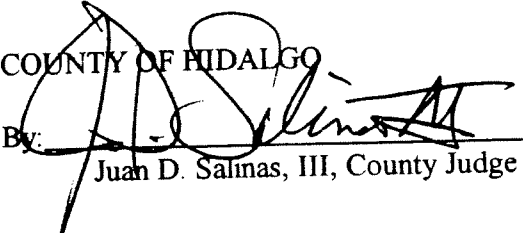
16. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and shall be performable in Hidalgo County.

WITNESS our hands in duplicate originals this \_\_\_\_ day of \_\_\_\_\_, 2008.

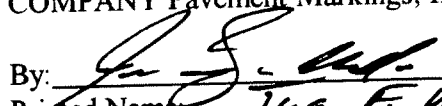
ATTEST:

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

COUNTY OF HIDALGO

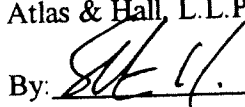
By:   
\_\_\_\_\_  
Juan D. Salinas, III, County Judge

COMPANY Pavement Markings, Inc.

By:   
\_\_\_\_\_  
Printed Name: Juan F. Viverca  
Title: Pres

Approved on Commissioners' Court April 7, 2008

APPROVED AS TO FORM  
Atlas & Hall, L.L.P.

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

**EXHIBIT “A”  
SPECIFICATIONS**

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## **EXHIBIT "A"**

### **HIDALGO COUNTY "STRIPING OF COUNTY ROADS, COUNTY PARKING LOTS & MISC COUNTY OWNED SITES" BID NO.: 08-013-03-19-rol**

#### **REQUIREMENTS**

##### **SCOPE OF SERVICES:**

The services contract will encompass all project-related labor and materials for striping of county roads, county parking lots and miscellaneous county owned sites 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. Striping of county roads, parking lots, & miscellaneous county owned sites will be on an **as needed and as requested basis only**.
3. 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.
4. Delivery hours will be arranged with requestor when requiring striping of county roads, county parking lots, and miscellaneous county owned sites.
5. The contract will be in effect for a period of (2) two years from bid award date with the County's option to extend for (1) one additional year.
6. 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.
7. 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.
8. 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.
9. **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**.

10. 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".
  
11. **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, Roli Flores, 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, 2802 S Hwy Bus Hwy 281, Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

**ALL WRITTEN INQUIRIES WILL BE ACCEPTED VIA FACSIMILE NO LATER THAN,** Wednesday, March 12, 2008, 5:00 P.M. Responses will be sent to all applicants via facsimile by no later than, 5:00 P.M., Friday, March 14, 2008.

**EXHIBIT “B”  
FEE SCHEDULE**

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# ADDENDUM NO. 1

"HIDALGO COUNTY  
STRIPING OF COUNTY ROADS, COUNTY PARKING LOTS & MISCELLANEOUS COUNTY  
OWNED SITES"

BID NO.: 08-013-03-19-ROL  
Bid Opening Date: March 19, 2008

PLEASE NOTE CHANGES AS FOLLOWS:

No. 1 Page 1 of Exhibit "B" Bid Page

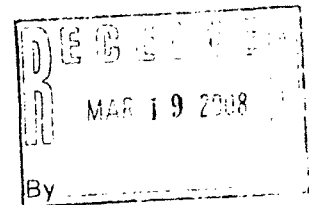
1. All items highlighted on Bid Page.

I, Juan F. Villaseca, acknowledge receipt of ADDENDUM NO. 1 dated, March 17, 2008, for RFB-"HIDALGO COUNTY - STRIPING OF COUNTY ROADS, COUNTY PARKING LOTS & MISCELLANEOUS COUNTY OWNED SITES", date modifications.

Juan F. Villaseca - Pavement Marking  
Printed Bidder Name Inc.

3-18-08  
Date

NOTE: PLEASE SUBMIT THIS ORIGINAL ADDENDUM  
WITH YOUR BID PACKET, IN ORDER TO  
COMPLETE THE BID.....



**ADDENDUM EXHIBIT "B"**  
**HIDALGO COUNTY**  
**"STRIPING OF COUNTY ROADS, COUNTY PARKING LOTS & MISC COUNTY OWNED**  
**SITES "**  
**BID NO: 08-013-03-19-rol**

**BID PAGE**

The following are the minimum acceptable specifications: "Striping of County Roads County Parking Lots & Misc County Owned Sites"		
ITEM SPECIFICATION	BID PRICE	UNIT
4" yellow or white reflectorized paint	\$ 0.22	/ft.
4" yellow or white thermo plastic	\$ 0.32	/ft.
4" reflectors yellow or white	\$ 2.25	/ea.
24" white paint stripe	\$ 1.80	/ea.
Thermoplastic arrows	\$ 75.00	/ea.
6" x 6" Giggle Bar File, yellow or white	\$ 5.80	/ea.
24" white Thermoplastic stripe	\$ 6.80	/ft.
Thermoplastic Words: (include) ONLY, SCHOOL, ZONE, SLOW, STOP, AHEAD and RAILROAD	\$ 140.00	/ea.

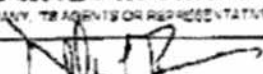
NOTE: All road striping is to be reflectorized striping to meet TX DOT specifications.

The "Striping of County Roads County Parking Lots & Misc County Owned Sites" contract will, from now on, include the striping of parking lots which will include, but not be limited to:	
ITEM SPECIFICATION	BID PRICE
4" yellow or white non-reflectorized paint	\$ 0.26 /ft.
4" yellow or white car spaces	\$ 3.90 /ea.
Arrows	\$ 24.00 /ea.
"Reserved" painted on curb	\$ 6.00 /ea.
Handicap Symbols	\$ 60.00 /ea.
Crosshatched Islands	\$ 48.00 /ea.
Painted Curb	\$ 0.60 /ft.
Repaint Car Stops	\$ 7.00 /ea.
"No Parking (3' Letters)	\$ 45.00 /ea.
Handicap Symbols Pre Fab Thermal 2-color	\$ 140.00 /ea.
Fire Lane	\$ 45.00 /ea.
No parking on red curb	\$ 2.00 /ea.
Cross walk crossing (white or yellow paint) 12"	\$ 3.40 /ft.
Cross walk crossing (white or yellow thermoplastic) 12"	\$ 4.80 /ft.
DELETED ITEM: Parking Lot	\$ /ea.

*[Handwritten Signature]*

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

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CERTIFICATE OF INSURANCE				Date (mm/dd/yy)	
<b>PRODUCER</b> VALLEY INSURANCE PROVIDERS P.O. DRAWER 3783 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.		11/18/09	
		<b>COMPANIES AFFORDING COVERAGE</b>			
		COMPANY A	BURLINGTON INSURANCE COMPANY		
		COMPANY B			
		COMPANY C			
		COMPANY D			
<b>INSURED</b> PAVEMENT MARKINGS INC  7010 NORTH FM 493 DONNA, TX 78537					
THIS IS TO CERTIFY THAT 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. 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	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNERS & CONTRACTORS PROT	163BW15441	11/18/09	11/18/10	GENERAL AGGREGATE \$2,000,000 PRODUCTS COMPR OR AGG \$2,000,000 PERSONAL & ADV LIABILITY \$1,000,000 EACH OCCURRENCE \$1,000,000 FIRE DAMAGE (Any one fire) \$50,000 MED EXP (Any one person) \$1,000
B	AUTOMOBILE LIABILITY <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 \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY-EA ACCIDENT \$ OTHER THAN AUTO DIV. \$ EACH ACCIDENT \$ AGGREGATE \$ EACH OCCURRENCE \$ AGGREGATE \$
C	EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM				STATUTORY LIMITS \$ EACH ACCIDENT \$ DISEASE-POLICY LIMIT \$ DISEASE-EACH EMPLOYEE \$
	WORKERS COMPENSATION AND EMPLOYERS LIABILITY THE PROPRIETOR/ PARTNER/ DIRECTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				
D	OTHER				
DESCRIPTION OF OPERATIONS, LOCATIONS, VEHICLE SPECIAL TOWS DEDUCTIBLE PER CLAIM \$1,000 BI & PD CERTIFICATE HOLDER IS NAMED AS ADDITIONAL INSURED WITH WAIVER OF SUBROGATION ON GENERAL LIABILITY POLICY AS REQUIRED BY WRITTEN CONTRACT					
COUNTY OF HIDALGO PCT # 3 724 N BREYFOGLE MISSION, TX 78574			SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL <u>30</u> 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 COMPANY, ITS AGENTS OR REPRESENTATIVES.		
			AUTHORIZED REPRESENTATIVE 		DB

# ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE REVISED  
11/16/2009

**PRODUCER** Valley Insurance Providers (956) 787-8536  
PO Drawer 3783  
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** PAVEMENT MARKINGS INC  
7010 N. FM 493  
Donna TX 78537

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A	
INSURER B Southern Company Mutual	
INSURER C Tower National Insurance Company	
INSURER D	
INSURER E Texas Mutual Fund Insurance Company	

### 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.

TYPE OF COVERAGE	DESCRIPTION OF COVERAGE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
GENERAL LIABILITY	COMMERCIAL GENERAL LIABILITY				EACH OCCURRENCE \$
	CLAIMS MADE OCCUR				DAMAGE TO RENTED PREMISES (EA OCCURRENCE) \$
					MED EXP (Any one person) \$
					PERSONAL & ADJ INJURY \$
					GENERAL AGGREGATE \$
					PRODUCTS - COMP. OP. AGG. \$
B AUTOMOBILE LIABILITY	ANY AUTO	STC575683	06/16/2009	06/16/2010	COMBINED SINGLE LIMIT (EA OCCUR) \$ 1,000,000
	ALL OWNED AUTOS				BODILY INJURY (Per person) \$
	X SCHEDULED AUTOS				BODILY INJURY (Per accident) \$
	X HIRED AUTOS				PROPERTY DAMAGE (Per accident) \$
	X NON-OWNED AUTOS				AUTO ONLY - EA ACCIDENT \$
					OTHER THAN AUTO ONLY: EA ACC \$
					AUTO \$
C EXCESS UMBRELLA LIABILITY	ANY AUTO	NU02800422	07/27/2009	07/27/2010	EACH OCCURRENCE \$ 1,000,000
	X OCCUR CLAIMS MADE				AGGREGATE \$ 1,000,000
	DEDUCTIBLE				\$
	RETENTION				\$
E WORKERS COMPENSATION AND EMPLOYERS LIABILITY	ANY PROPRIETOR/PARTNER/EXECUTIVE OR MEMBER EXCLUDED?	10012522501 23090615	06/15/2009	06/15/2010	X WC STATUTORY LIMIT \$ 1,000,000
	YES DESCRIBE UNDER SPECIAL PROVISIONS ONLY				E.L. EACH ACCIDENT \$ 1,000,000
	OTHER				E.L. DISEASE - EA EMP CYCLE \$ 1,000,000
					E.L. DISEASE - POLICY LIMIT \$ 1,000,000

NOV 19 2009  
0.432

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

### CERTIFICATE HOLDER

COUNTY OF HIDALGO PCT#3  
FAX:261-7029  
724 N BREYFOGLE  
MISSION TX 78574

### 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.

Valley Insurance Providers