



August 1, 2008

County of Hidalgo
Purchasing Department
Mr. Moises Salazar
PO Box 1356
Edinburg, TX 78539

Re: Contract Renewal

Dear Mr. Salazar

We need to discuss the proposed two year contract with regards to price. Please consider the following.

Currently, the County pays \$200,000.00 per annum for animal services to PVAC. This works out to \$27.00 for calendar 2007 based upon an intake of 7,397 animals and \$23.45 for the first five months for 2008.

Municipalities are currently paying \$51.00 per animal for the year ending September 30, 2008. Our estimated cost per animal will increase about \$2.00 in July of 2008 based solely upon the second of three scheduled increases in the federal minimum wage.

Our next proposal to the municipalities will be \$56.00 for the coming year.

We have had to spend some \$315,000.00 for facility improvements in 2007 and have authorized an additional \$217,000.00 for 2008. The funds have been provided by our reserves and non-governmental funding activities.


Please also note that our May 31ST financials indicate an operating deficit of approximately \$100,000.00.

Therefore we propose a fee to the County of \$400,000.00 for the first year of a new contract and \$250,00.00 for the second and \$450,000.00 for the optional third year.

Sincerely,


Darin L. Landrum
Executive Director

RECEIVED BY HIDALGO COUNTY
PURCHASING DEPARTMENT

By 
Time 2:15 8-4-08

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