

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

PROFESSIONAL SERVICES CONTRACT
C-19-063-02-26

THIS AGREEMENT is made effective the **26th of February, 2019**, by and between the **County of Hidalgo, Texas** ("County") and **Professional Appraisal Services, Inc.** ("Appraiser").

W I T N E S S E T H:

WHEREAS, the County requires appraisal services for: **The Fair Market Value Appraisals in connection with the Acquisition of Land, Rights of Way, Easements, Condemnations and Disposition of real property located within Hidalgo County Precinct No. 2;**

WHEREAS, the County of Hidalgo solicited Request for Qualifications (RFQ) for the development and establishment of a yearly pool for "Professional Appraisal Services";

WHEREAS, from which "Professional Appraiser" has been selected from the "Pool" of pre-qualified Appraisers from response to the Request for Qualifications (RFQ), and

WHEREAS, County has determined that the services of "Professional Appraiser" are sometimes necessary to carry out the required appraisal activities.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, County and Appraiser do mutually agree as follows:

1. **Scope of Services.** Appraiser agrees to provide to County **the Fair Market Value Appraisals in connection with the Acquisition of Land, Rights of Way, Easements, Condemnations and Disposition of real property located within Hidalgo County Precinct No. 2** as described in Exhibit "A" attached hereto and entitled "Services to be Provided by the Appraiser". ***In the event the Appraiser does not provide the fair market value appraisal prior to the date specified on the purchase order, the Purchase Order will become NULL and VOID. If such Purchase Order becomes NULL and VOID and a fair market value appraisal is secured from another firm, Appraiser will be responsible for any additional charges or expenses incurred***

by Hidalgo County. Further, in the event that it is demonstrated by Appraiser that Hidalgo County has caused or delayed thus preventing the Appraiser from meeting the specified agreed upon deadline to provide the fair market value appraisal ordered, Appraiser must advise in written notice to the Purchasing Department to authorize and to secure additional time to comply.

2. Non-Exclusive Services of Appraiser. Hidalgo County reserves the right to request these services from other sources other than the Appraiser and shall not be in violation of any terms or conditions of this Agreement. The County assumes no liability or obligation for payment to the Appraiser for work performed or costs incurred by the Appraiser prior to the date authorized by the County for the Appraiser to begin work, during periods when work is suspended, or subsequent to the Termination Date.

3. Term. This Contract is for a period of **one (1) year**, effective **February 26, 2019**, and will expire **February 25, 2020** or unless sooner terminated as provided herein. The Appraiser will not begin work or incur costs until authorized in writing by the County for each "Purchase Order".

4. Compensation. As consideration for rendering the Services provided for in this Contract, the County agrees to pay the Appraiser the amounts specified in Exhibit "B" attached hereto payable against written invoice submitted by Appraiser. The Appraiser is authorized to submit periodic requests for payment within thirty days after completion of each purchase order. The request for payment shall be made using forms acceptable to the County and shall show the total amount earned to the date of submission and the amount due and payable as of the date of the current billing. Upon receipt of said request for payment, County shall submit a requisition for payment of said services in the customary manner provided for payments utilized by Hidalgo County, Texas. Appraiser agrees to separately account for the receipt and/or expenditure of funds received pursuant to this Contract and to keep adequate books and records of all such receipts and/or expenditures. All payments to Appraiser shall be mailed to the address shown in numbered

paragraph 21, hereof.

5. Progress. Upon acceptance of a purchase order, the Appraiser shall undertake and complete the authorized work. The County or the Appraiser can request conferences to be provided at the Appraiser's office, the office of the County, or at other agreed upon locations.

6. Inspection of Work. The County has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder and the premises in which it is being performed. If any inspection or evaluation is made on the premises of the Appraiser, or a subcontractor, the Appraiser shall provide and require its subcontractor to provide all reasonable facilities and assistance for the safety and convenience of the inspectors in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the work.

7. Amendments. If it becomes necessary at any time during the contract period to change the scope of work, the contract period, the maximum amount payable, the complexity, or the character of this contract, an amendment must be prepared and executed within the contract period. The County retains the right to reject any such amendment proposed by the Appraiser unless the County finds the proposed amendment necessary to complete the work authorized herein. Any such amendments be made in writing agreed to by all parties hereto and duly executed before the end of the contract period as specified.

If the County finds it necessary to require changes in completed work because of errors made by the Appraiser, the County shall require the Appraiser to correct the work at no cost to the County and without amendment to the contract. If the changes are made at the request of the County and are not due to errors of the Appraiser, the County will reimburse the Appraiser for the additional work at the same rate of pay established in Exhibit "B", "Basis for Payment". If payment for the additional work will cause the maximum amount payable to be exceeded, an amendment shall be executed in accordance with the terms of this provision.

8. Reporting. The Appraiser shall promptly advise the County in writing of events

which have a significant impact upon the contract, including:

- a. Problems, delays, or adverse conditions which will materially affect the ability to meet time schedules and goals, or preclude the attainment of project work units by established time periods. This disclosure shall be accompanied by a statement of the action taken, or contemplated, and any County or, if Federal funds are involved, Federal assistance needed to resolve the situation.
- b. Favorable developments or events which enable meeting time schedules and goals sooner than anticipated or producing more work units than originally projected.

9. Ownership of Documents. Upon completion or termination of this contract, all documents prepared by the Appraiser or furnished to the Appraiser by the County shall be delivered to and become the property of the County. All sketches, photographs, calculations, and other data prepared under this contract shall be made available, upon request, to the County without restriction or limitation on their further use. The Appraiser may, at its own expense, have copies made of the documents or any other data furnished the County under this contract.

10. Independent Contractor. Appraiser must comply with all applicable Hidalgo County policies and with any applicable federal, state or local laws, regulations, orders or ordinances applicable to the services provided by Appraiser under this Contract. Notwithstanding the foregoing sentence, Appraiser represents and maintains that it is an independent contractor and is not an employee of Hidalgo County, Texas, or any agency thereof, and represents and warrants that it does not desire or request any fringe benefits provided to employees of Hidalgo County, Texas, and/or any agency thereof, including, but not limited to benefits associated with Hidalgo County's civil service program. Appraiser agrees to be responsible for any federal income tax, withholding or social security tax liability that might arise from payments received hereunder.

11. Voluntary Termination. County may terminate this Contract at any time for any reason or no reason at all upon the giving of thirty (30) days prior written notice to the other party.

12. Insurance. Appraiser agrees to provide liability insurance covering its activities in providing the services for County in an amount not less than the minimum amounts prescribed by the Texas Tort Claims Act, ' 100.001, et seq., Texas Civil Practices and Remedies Code, and shall

furnish department a certificate of insurance, Exhibit "C", issued by the insurer that such insurance is in full force and effect.

13. No Assignment. Except as otherwise herein provided, Appraiser, may not assign the obligations or rights under this contract to any person without the prior written consent of County.

14. Conflict. Nothing in this Contract shall be construed so as to require the commission of any act contrary to law, and whenever there is any conflict between any provision of this Contract and any present or future law, ordinance or administrative, executive or judicial regulation, order or decree, or amendment thereof, contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the affected provision or provisions of this Contract shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists

15. Termination by County. If Appraiser fails to deliver quality service, fails to achieve the defined goals, outcomes, strategies and outputs set by County, or if Appraiser fails to comply with any conditions in this Contract, then County shall have the right to terminate this Contract upon the giving of ten (10) days prior written notice to Appraiser.

16. No Waiver. No waiver by County of any breach of any provision of this Contract shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.

17. Entire Agreement. This Contract contains the entire agreement between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representations or agreements in connection with this Contract not specifically set forth herein. This Contract may be modified or amended only by agreement in writing executed by County and Appraiser, and not otherwise.

18. Venue. This Contract shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Hidalgo

County, Texas. The parties hereby consent to personal jurisdiction in Hidalgo County, Texas.

19. Hold Harmless. In the event Appraiser should cause, either directly or indirectly, damage, loss, destruction, liability, or claims against the other party as a result of intentional conduct, negligence or otherwise, Appraiser shall hold harmless and indemnify County from any and all obligations, liabilities, causes of action, lawsuits, damages, and assessments, including legal fees, etc., that result from the Appraiser=s intentional actions or negligence. This indemnification clause shall survive this Contract and be enforceable as a separate agreement in the event its survival and enforcement becomes necessary.

20. Attorney’s Fees. In the unlikely event that a dispute occurs which is litigated or arbitrated, or a cause of action in law or equity is filed concerning the operation, construction, interpretation, or enforcement of this Contract, the losing party shall bear the cost of the attorney’s fees incurred by the prevailing party and any and all costs applicable thereto, including, but not limited to, court costs, deposition fees, expert witness fees, out-of-pocket expenses and travel expenses which are incurred by the prevailing party.

21. Notices. Except as may be otherwise specifically provided in this Contract, all notices, demands, requests or communications required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth below, or at such other addresses as may have been theretofore specified by written notice delivered in accordance herewith:

If to County: Hidalgo County
Attention: County Judge
100 East Cano, 2nd Floor
Edinburg, Texas 78539

If to Appraiser: Professional Appraisal Services, Inc.
Attention: John Malcom, Jr., President
P.O. Box 3722
McAllen, Texas 78502

Each notice, demand, request or communication which shall be delivered or mailed in the

manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the United States mail.

22. Execution of Documents. The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the terms of this Contract.

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

24. Gender. All pronouns used in this Contract shall include the other gender, whether used in the masculine, feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate

25. Authority. The execution and performance of this Contract by County and Appraiser have been duly authorized by all necessary laws, resolutions or corporate action, and this Contract constitutes the valid and enforceable obligations of County and Appraiser in accordance with its terms.

26. Commitment of Current Revenues Only. In the event that, during any term hereof, the Commissioners Court does not appropriate sufficient funds to meet the obligations of County under this Agreement, County may terminate this Agreement upon ninety (90) days written notice to Company. County agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of County pursuant to the provisions of Tex. Loc. Govt. Code Ann. ' 271.903 (Vernon Supp. 1996).

27. Immunities. Nothing in this Agreement is intended to and County does not hereby waive, release or relinquish any right to assert any of the defenses County enjoys by virtue of the state or federal constitution, laws, rules or regulations, and any sovereign, official or qualified immunity

available to County as to any claim or action of any person, entity, or individual against County.

EXECUTED as of the day and year first written above.

Approved by Commissioners' Court on _____, 2019.

APPROVED AS TO FORM:
Atlas, Hall & Rodriguez, LLP

By: _____
Stephen L. Crain, Attorney

COUNTY OF HIDALGO, TEXAS

By: _____
Richard Cortez, County Judge

APPRAISER:
PROFESSIONAL APPRAISAL SERVICES, INC.

By: _____

Printed Name: John Malcom, Jr.

Title: President

ATTEST:

Arturo Guajardo, Jr., County Clerk

EXHIBIT "A"
SERVICES TO BE PROVIDED BY APPRAISER

EXHIBIT A

Scope of Appraisal Services:

- 1) Property appraisals will be based on “Fair Market Value” unless otherwise specified or requested. Two copies of the appraisal report shall be bound, clearly labeled and signed by the primary certified general appraiser and any other certified general appraiser and/or licensed trainee which aided in the process. Four additional copies will be furnished.
- 2) All photographs used within the report must be originals. No digital photos shall be used for subject property. Digital photos shall only be used for comparable sales. All adjustments to any comparable sales must be clearly explained in a narrative format. All comparable sales must be with a two year time frame. If any sales which have occurred prior to the two year limit, they must be clearly explained and added to the conventional three comparable sales typically used in the appraisal process.
- 3) Current location maps of the subject property including, area, regional, plat and flood maps must be included and clearly labeled for the subject property.
- 4) All reports shall be “Appraisal Reports” formerly known as “Self- Contained Narrative Report” unless otherwise requested and shall follow the 2018-2019 or most current Uniform Standard of Professional Appraisal Practice (USPAP) rules and regulations. Each appraisal report must be physically inspected, photographed, and personally signed by the primary-general certified appraiser of the firm. Appraiser trainees may aid in the collection of the information, however, all analysis and conclusion must be performed by the primary general certified appraiser.
- 5) Delivery of Appraisal reports will be based on the complexity of the assignment and the number of parcels. Best efforts will be made to make delivery within four weeks of request (20 business days) and receipt of a fully executed purchase order.

Scope of Appraisal Review Services:

- 1) Review all appraisal reports for each Property to determine consistency of values, supporting documentation related to the conclusion reached, compliance with the Uniform Standards of Professional Appraisal Practices.
 - 2) As a review of an initial and update appraisal are two separate and distinct appraisal assignments, the fees must consider the complexity of each separate assignment as shown in the Provider's Fee Schedule.
 - 3) Beyond delivery of the review appraisal of the initial and updated appraisal documents, the review appraiser can be called to provide preparation and testimony for any Special Meeting/Commissioners Court. For this appraisal assignment, the fee for the preparation time and testimony must be based on the hourly rate shown in the Providers Fee Schedule.
 - 4) Delivery of appraisal review reports are dependent upon receipt of the appraisal reports from the primary appraiser and their responsiveness in making revisions and returning a completed report to the reviewer. Best efforts will be made to complete and submit Appraisal Review reports within four weeks of request (20 business days) and receipt of a fully executed purchase order.
- 5) It is the County's sole option to require TXDOT's form A-10 "Tabulation of Values" in the deliverable for appraisal review assignments.

EXHIBIT "B"
FEE SCHEDULE

EXHIBIT B

Fee Schedule for Appraisal Services

1) Appraisal fees are based on the complexity of the assignment and the anticipated time to complete the work. The hourly rate is \$225/hour. Fees for a typical right of way assignment would range from \$2,250 to \$3,000 per parcel. Assignments involving acquisition of building improvements may require additional time. A proposal for an assignment can be prepared when assignment specific information is available.

2) An update appraisal prepared for valuation purposes is a new appraisal.

3) The hourly rate for Special Commissioners Hearings, depositions, preparation and testimony is \$225/hour.

Fee Schedule for Appraisal Review Services

1) Appraisal Review fees are based on the complexity of the assignment and the anticipated time to complete the work. The hourly rate is \$225/hour. Fees for a typical right of way assignment would be \$900/parcel. Assignments involving acquisition of building improvements may require additional time. A proposal for an assignment can be prepared when assignment specific information is available.

2) The fee for update appraisal review reports is the same as the fee for the original appraisal review.

3) The hourly rate for Special Commissioners Hearings, depositions, preparation and testimony is \$225/hour.

EXHIBIT “C”
INSURANCE REQUIREMENTS



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
2/18/2019

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Shepard Insurance Agency 5801 N 10th St Ste 600 McAllen, TX 78504	CONTACT NAME: PHONE (A/C, No, Ext): (956) 686-3888		FAX (A/C, No): (956) 682-5650
	E-MAIL ADDRESS: shepard@shepins.com		
INSURER(S) AFFORDING COVERAGE			NAIC #
INSURER A : Tri-State Insurance Company of Minnesota			31003
INSURER B : Am Trust North America, Inc			
INSURER C :			
INSURER D :			
INSURER E :			
INSURER F :			

INSURED

Professional Appraisal Services Inc
P O Box 3722
McAllen, TX 78502

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

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.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			ADV475946011	10/26/2018	10/26/2019	EACH OCCURRENCE	\$ 1,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000
							MED EXP (Any one person)	\$ 10,000
							PERSONAL & ADV INJURY	\$ 1,000,000
							GENERAL AGGREGATE	\$ 2,000,000
							PRODUCTS - COMPI/OP AGG	\$ 2,000,000
								\$
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			KPP104806102	10/26/2018	10/26/2019	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y <input checked="" type="checkbox"/> N If yes, describe under DESCRIPTION OF OPERATIONS below		N / A	KWC1147594	10/26/2018	10/26/2019	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER	
							E.L. EACH ACCIDENT	\$ 1,000,000
							E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	\$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
In regards to General Liability, Additional Insured & Waiver of Subrogation are included as per form CLCG0492 attached. In regards to Business Auto, Additional Insured & Waiver of Subrogation are included as per form CA990187 attached. In regards to Workers Compensation, Waiver of Subrogation is included as per form WC420304B attached.

CERTIFICATE HOLDER

CANCELLATION

Hidalgo County
2802 S. Business Hwy. 281
Edinburg, TX 78539

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE