



REQUIREMENTS AGREEMENT
C-20-042-05-19

THIS AGREEMENT (the "Agreement") is entered into effective the 19th day of May 2020 by and between Model Laundry LLC. (COMPANY NAME), ("Seller" or "Company") and **HIDALGO COUNTY** ("County").

WHEREAS, County has solicited bids for the supply of required "**Mats, Dust Mops & Shop Rags & Towels**" for Hidalgo County (on an as needed basis) (the "**Products**"), as further described in the Request for Bid (RFB) Procurement Packet, which is attached hereto as Exhibit "A" and incorporated herein by reference for all purposes (the "RFB"); and

WHEREAS, Seller has submitted a proposal to supply County's requirements in accordance with the specifications as bid, a copy of Request for Bids (RFB) Procurement Packet and Proposal being attached hereto as Exhibits "A" and "B" respectively, and incorporated herein for all purposes (the "Specifications"); and

WHEREAS, County has determined that Seller has submitted the lowest and best bid to meet County's requirements for the Products, as herein after described.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Term.** County agrees to purchase from Seller, and Seller agrees to sell and deliver to County, all of the Products that County may require in the area of **HIDALGO COUNTY** for a period of two (2) years, and may be extended at the sole discretion of the County for an additional one (1) year term(s) under the same rates, terms and conditions unless this Contract is terminated pursuant to the provisions herein, whichever occurs first. County reserves the right to continue this bid for an additional sixty (60) day grace period, under the same rates, terms, and conditions for the unforeseen delay in award of new bid for the next contract term. This Contract shall commence on **June 30, 2020** and expire on **June 29, 2022** and it is agreed that the Products will meet the Specifications in the Request for Bids (RFB) Procurement Packet set forth in Exhibit "A" hereto.

2. **Product Delivery.** When County determines that it needs a quantity of the Products to be delivered, it will, according to its Purchasing Policies, complete and submit to Seller a Purchase Order describing the type and quantity of the Products required. The Products are to be delivered by Seller to the location in Hidalgo County specified by County in its Purchase Order.

3. **Consideration.** County agrees to pay Seller for each Purchase Order based on the prices set out in Exhibit "B". Seller shall render invoices for each Purchase Order, and the invoices shall be paid by County in accordance with the Texas Prompt Payment Act, Tex. Govt. Code Ch. 2251.

q. Additional 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 Agreement.

r. Required Contract Provision for Contracts Subject to Federal Award (if applicable): Pursuant to 2 CFR 200.326, a non-federal entity's contracts must contain the applicable provisions described in Appendix II to 2 CFR 200-Contract Provisions for non-Federal Entity Contracts under Federal Awards. Additionally, County contracts under Federal award which are subject to assistance from the Federal Emergency Management Agency (FEMA) are also required to contain additional contract clauses. Applicable required contract clauses were provided as part of the initial procurement packet and are incorporated herein and made part of this agreement for all purposes.

EXECUTED effective as of the day and year first above written.

County: HIDALGO COUNTY

By: Richard F. Cortez
Hon. Richard F. Cortez, County Judge

Seller: Model Laundry, LLC.

By: William Putegnat
Printed Name: William Putegnat
Title: owner



[Signature]
Hon. Arturo Guajardo, Jr., County Clerk

APPROVED AS TO FORM:
Office of the Criminal District Attorney,
Ricardo Rodriguez, Jr.

By: David R. Cantu
David R. Cantu, Assistant District Attorney

APPROVED BY
COMMISSIONERS' COURT
DATE: 5/19/20 [Signature]

EXHIBIT "A"
HIDALGO COUNTY (All Funding Sources, Programs and Entities)
"Mats, Dust Mops & Shop Rags & Towels"
BID No.: 2020-042-03-18-TDL

6. Hidalgo County reserves the right to add or delete items and/or future sites throughout the contract term under the same rates, terms and conditions.
7. Hidalgo County does not allow vendor(s) to subcontract the service without the expressed, written consent of the County.
8. Insurance requirements for this project must be maintained throughout the contract term with the limits as stated in Exhibit "C".
9. All costs and 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.
10. 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 advantage to the County.
11. Hidalgo County reserves the right to increase or decrease the number of items being provided during the term of the resulting Agreement under the same rates terms and conditions.

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) 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.
 - b) 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.
 - c) The County Purchasing Agent retains the right to determine whether or not such proposed price changes are in the best interest of the County.
 - d) No price escalation will be authorized in excess of the amount of the increase referred to in the supplier's notice.
 - e) 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