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TRANSMITTAL FORM

Today's Date: 01/10/2022 Department: Select Department

Contract No.: 20-062-12-29 Effective Date: 12/28/2021

Description of Project: 1st Amendment- Real Time Live Auction of Foreclosed Properties

Awarded Vendor: Auction House, LLC

CC Approval on 12/28/2021 AI- 83909

Routing of documents:

- ✓ 1. Executive Office – Attn: Monica Salinas
- ✓ 2. District Attorney's Office – Attn: Robert Viña
- _____ 3. County Judge's Office – Attn: Richard F. Cortez
- _____ 4. County Clerk's Office – Attn: Arturo Guajardo, Jr.
- _____ 5. Purchasing Department – Attn: Yolanda Velasquez ext. 4881

ATTENTION COUNTY CLERK'S OFFICE:

Please do not attach the following to the minutes of this agenda due to the confidential nature of the information contained herein:

- Contract/Agreement
- Exhibit A – RFB Procurement Packet
- Exhibit B – Fee Schedule/Bid Page (Pgs. _____ to _____)
- Exhibit C – Certificate of Liability Insurance
- Other: _____

STATE OF TEXAS §
 §
COUNTY OF HIDALGO §



FIRST AMENDMENT TO SERVICE CONTRACT
C-20-062-12-29

This **AMENDMENT** to the Service Contract C-20-062-12-29 (“Service Contract”) by and between **The County of Hidalgo, Texas** (“County”) and **Auction House, LLC** (“Company”) (collectively “Parties”) is made and effective this 28th day of December 2021, between the Parties, as follows:

WHEREAS, County requested responses to notices for: **Real Time (Live) Online Auction for Foreclosed Properties**” on an as needed basis for the County of Hidalgo (the “Services”); and

WHEREAS, On or about December 29, 2020, the Contract for said services was entered into with Auction House, LLC, for a period of one (1) year, commencing on March 1, 2021, and expiring on February 28, 2022;

WHEREAS, the Contract provided for the extension of the agreement at the sole discretion of the County for an additional two (2) - one (1) year terms under the same rates, terms and conditions;

WHEREAS, performance of Contract has been delayed to date due to unforeseen issues and there exists a necessity to modify various provisions;

WHEREAS, the parties mutually assent that commencement of the contract date being moved to the date of the final approval of this amendment because of the delay;

WHEREAS, the Contract provides that it may be modified or amended only by agreement in writing executed by the parties hereto, and not otherwise, pursuant to the Service Contract;

WHEREAS, the Parties desire to amend the Service Contract as hereinafter provided.

NOW THEREFORE, for and in consideration of the terms and provisions of this First Amendment to Service Contract and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, County and Company hereby agree:

1. County agrees to conduct its public auctions for tax sales related to foreclosed properties online utilizing the Company’s service; however, the County reserves the right to conduct in-person public auctions and/or to conduct simultaneous online and in-person public auctions (“Simultaneous Auctions”) at the County’s discretion. Terms for Simultaneous Auctions shall be made by future mutual agreement of the parties.

2. The Parties agree to incorporate into the Contract the amended Hidalgo County RULES FOR CONDUCTING A PUBLIC AUCTION FOR TAX SALES USING ONLINE BIDDING AND SALES, (“RULES”) attached hereto as Exhibit “A”
3. The Parties understand that the RULES shall be published in the real property records of the County of Hidalgo, and, in accordance with applicable law, shall be utilized no earlier than the 90th day after they are published in the real property records of the County. As such, online auctions may commence after the 90th day the RULES are published in the real property records of the County.
4. The Company provided an amended Fee Schedule attached as EXHIBIT “B” which is incorporated into the Contract for all purposes and replaces the previously submitted Fee Schedule.
5. EXHIBIT “B” provides that Company shall charge a \$300 (Three hundred dollar) processing fee per successful sale made through the Company’s website, except that properties with an adjudged value of less than \$2000 are exempt from this fee. This fee shall be obtained from the total sale price paid by the winning bidder. EXHIBIT “B” also provides that Company shall charge a \$300 (Three hundred dollar) processing fee for any sale cancellation which occurs after a property is placed on the Company website but prior to Auction due to the property owner paying outstanding taxes and any applicable fees to the tax collecting entity, including this cancelled auction fee. No processing fee will be charged if the sale cancellation occurs prior to the transfer of properties to Company.
6. If a property does not sell at an auction conducted by Company (i.e.: “Struck Off”), then Company agrees to attempt to auction the property again until there is a successful sale or a sale cancellation as provided in number 5 above, The Company will not charge the County an additional fee for Struck-Off auctions.
7. Invoices with Reporting will be sent to county-assigned department once payment has been received by the County (expected to be within 7-10 business days) and/or whoever else may require these invoicing reports. All other reporting (auction completion reports; bidder reports; struck-off reports, etc.) will be received by county and/or county-assigned department(s) within 1-3 business days.
8. The County agrees to process and provide to Company the accumulated processing fee amount invoiced by Company in accordance with the Texas Prompt Payment Act, Tex. Govt. Code Ch. 2251, as applicable.
9. Pursuant to Exhibit “B”, a \$250 pre-authorization payment shall be collected by Company from each bidder prior to auction to participate in the auctions for that day. Further, after the auction, this fee shall be refunded to those who do not bid, those who bid

unsuccessfully, and to successful bidders after verification that payment was made to the County. The Company shall be entitled to and retain this fee if a successful bidder fails to pay the County as described in the Exhibit "A".

10. Company agrees that there will be no other fees associated with its service, including but not limited to a technology fee.
11. Company shall not collect any funds on behalf of the County in relation to the sale of a property. Rather, the successful bidder shall pay funds in relation to the sale of a property directly to the County. Company agrees to direct successful bidder in this manner as per Exhibit "A".
12. This Contract shall be for a period of **two (2) years**, and the commencement date of the Contract is hereby modified to the effective date of this amendment as indicated above. The Contract may be extended at the sole discretion of the County for an additional **two (2) one (1) year** term(s) under the same rates, terms and conditions unless this Contract is terminated pursuant to the provisions of the Contract, whichever occurs first. Hidalgo County also 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 of award for the next term and under the same rates, terms and conditions.
13. Except as modified herein, all terms and conditions of the Contract, as amended, remain in full force and effect and Company and County ratify and confirm the terms and provisions of the Contract as amended.

[SIGNATURE PAGE TO FOLLOW]

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

HIDALGO COUNTY

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


By: Arturo Guajardo, Jr.
Arturo Guajardo, Jr., County Clerk

AUCTION HOUSE, LLC

By: Cory Owens
Cory Owens, President/CEO

APPROVED BY
COMMISSIONERS COURT
Approved By Commissioners Court On: 12/28/21

APPROVED AS TO FORM:
Office of the Criminal District Attorney
Ricardo Rodriguez, Jr.
By: Robert Villa, III
Robert Villa, III, Assistant District Attorney