

VENDING MACHING SERVICES CONTRACT

This vending **MACHINE SERVICES CONTRACT** ("Agreement") is entered into effective as of May 23, 2022 (**Effective Date**) by and between Webb County, a political subdivision of the State of Texas ("Webb County"), acting through its Commissioners Court, and Laredo Vending Co, "Contractor"), a Texas For-Profit Corporation.

RECITALS

Webb County desires certain products and services be made available on Webb County Properties by means of vending machines for the benefit and convenience of its employees and visitors;

Contractor represents that it has the knowledge, ability equipment, and personnel to conduct vending machine operations on Webb County owned buildings; and

Webb County, in reliance on Contractor's representations, is willing to contract with Contractor on the terms and conditions of this Agreement.

For and in consideration of the mutual benefits and covenants contained in this Agreement, the parties agree as follows:

TERMS AND CONDITIONS

Section 1.

Term

1. Term. The term of this Agreement (Term) will commence on the Effective Date and expire on May 22, 2025, unless earlier terminated pursuant to the terms and conditions of this Agreement.

Section 2.

Contractor's Obligations

2. Commencement of Work. Beginning on the Effective Date, Contractor will, in accordance with the terms and conditions of this agreement, commence performance of vending machine operations at Webb County locations (collectively, "**Locations**") more particularly identified in Exhibit "A", attached and incorporated for all purposes, through Contractor's vending machines and related equipment ("**Equipment**") dispensing the products (collectively, "**Products**") listed in Exhibit "B" attached and incorporated for all purposes. The vending machine operations and all other services, duties, and obligations required to be performed by Contractor under this Agreement will sometimes be collectively referred to as "Work."

2.1 Limited Access, Location License. Contractor its employees, representatives, agents, and subcontractors, will have the right to use and access only the Locations to perform Work and will have no right to use or access and other Webb County facilities. Webb County will permit

Contractor to use the Locations in accordance with the license contained in this Section. Webb County licenses the Locations in their current, "as is" condition to Contractor for use by Contractor and its employees, representatives, agents, and subcontractors in the performance of Work and for no other purpose. This is a non-exclusive license to use the Location. No unlawful activities will be permitted in the use of the Locations. Contractor will comply with all applicable federal, state and local laws, rules, regulations, ordinances, and orders (collectively "Applicable Laws") in connection with the use of the Locations. Contractor will cause all of its employees to comply with all Applicable Laws.

2.2 Equipment Removal. Contractor will not harm the Locations. Upon expiration or termination of this Agreement for any reason, Contractor will remove Equipment and Contractor's other effects, repair any damage caused by the removal, and peaceably deliver up the Locations in clean condition and in good order, repair and condition, ordinary wear and tear excepted. Any personal property of Contractor not removed within two (2) days after expiration or termination of this Agreement will be deemed abandoned by Contractor and Webb County may dispose of the property in any manner it chooses, with no liability or reimbursement obligation to Contractor.

2.3 Mechanics Liens. Contractor will not suffer any mechanic's lien to be filed against the Locations by reason of any work, labor, services, or materials performed at or furnished to the Locations for Contractor. Nothing in this Agreement will be construed as the consent of Webb County to subject Webb County's estate in the Locations to any lien.

2.4 Inspection. Contractor has inspected the Locations and agrees that the Locations are sufficiently equipped for Contractor to provide Work in accordance with the terms and conditions of this Agreement.

2.5 Utility Service; No Liability. WEBB COUNTY WILL NOT BE RESPONSIBLE FOR INTERRUPTIONS IN UTILITY SERVICE TO THE LOCATIONS. HOWEVER, WEBB COUNTY WILL EXERCISE REASONABLE DILIGENCE IN PURSUING THE RESTORATION OF INTERRUPTED UTILITY SERVICE. WEBB COUNTY WILL NOT BE LIABLE TO CONTRACTOR OR CONTRACTOR'S EMPLOYEES, REPRESENTATIVES, AGENTS, SUBCONTRACTORS, GUESTS OR INVITEES (COLLECTIVELY, "CONTRACTOR PARTIES"), FOR ANY LOSS, EXPENSE, OR DAMAGE, EITHER TO PERSON OR PROPERTY SUSTAINED BY REASON OF ANY CONDITION OF LOCATIONS, OR DUE TO ANY ACT OF ANY EMPLOYEE, REPRESENTATIVE, AGENT, SUBCONTRACTOR, GUEST OR INVITEE OF WEBB COUNTY, OR THE ACT OF ANY OTHER PERSON WHATSOEVER. WEBB COUNTY, ITS OFFICERS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUBCONTRACTORS, GUESTS AND INVITEES WILL NOT BE LIABLE FOR, AND CONTRACTOR WAIVES, ALL CLAIMS FOR DAMAGE TO PERSON OR PROPERTY SUSTAINED BY ANY CONTRACTOR PARTIES, RESULTING FROM ANY ACCIDENT OR OCCURRENCE IN OR UPON LOCATIONS. CONTRACTOR WILL PAY ON DEMAND WEBB COUNTY'S EXPENSES INCURRED IN ENFORCING ANY OBLIGATION OF

CONTRACTOR UNDER THIS LICENSE.

2.6 Change in Locations. The Locations may be changed from time to time upon written agreement of the parties documented through an amendment to this Agreement in accordance with Section 13.

2.7 Products.

- 2.7.1 Products Vended. Contractor will offer for sale only Products that Webb County has approved as to brand, size, sales price and royalties.
- 2.7.2 Applicable Laws; Product Standard; Perishable Products. Contractor will ensure that all Products will conform in all respects to Applicable Laws relating to the standards or specifications of those Products. All Products intended for human consumption will be fresh and suitable for human consumption in all respects. Contractor will identify perishable Products by means of coded markings with explanatory "keys" required to read Contractor's coding system. On the Effective Date, Contractor will deliver to Webb County a written report with a list of all coded markings and explanatory "keys." Contractor will deliver to Webb County an updated version of that report within five (5) days after Contractor changes the coding system or any explanatory "key."
- 2.7.3 Sales Prices for Products. Contractor will not increase the sales prices charged for Products above the sales prices designated in Exhibit B. Webb County and Contractor may, by mutual agreement, adjust Product sales prices through an amendment to this Agreement in accordance with Section 13.
- 2.7.4 Change in Products. If it becomes desirable to change the Products to be vended by Contractor, then the Products to be deleted, the Products to be added and associated sales prices, royalties, location and type of vending machine, will be negotiated between Contractor and Webb County and documented through an amendment to this Agreement in accordance with Section 13.

2.8. Equipment.

- 2.8.1 Type of Equipment; Compliance with Applicable Laws. Contractor will provide, install and operate all Equipment. Equipment operated at Locations by Contractor will be new or like-new models, will contain coin changers and dollar bill reader/changers, and will be of a size and type acceptable to Webb County. Webb County and Contractor agree to cooperate in implementing a phase-in of Equipment with credit card and debit card reader capability, at a rate to be mutually agreed upon between Webb County and Contractor. All Equipment will be installed and operated in conformity with Applicable Laws.

- 2.8.2 On-Call Service. Contractor will provide on-call maintenance and repair service for Equipment ten (10) hours a day during working days, five (5) days a week, at no cost to Webb County. Contractor will make available to Webb County a toll-free telephone number for service calls, and will respond with service technician on-site within four (4) hours after a service call placed between 7:30 AM and 5:30 PM, Monday through Friday, except holidays (collectively, **working days** and each a **working day**), and within twenty-four (24) hours after a service call placed at all other times. Contractor will keep at least one on-duty supervisor available each working day, and at least one on-call supervisor available at all other times.
- 2.8.3 Maintaining Equipment. Contractor will service all Equipment as often as is necessary to keep all Equipment properly supplied and in good working order. Contractor will maintain a program of regular preventive maintenance and replacement of worn, damaged, or malfunctioning Equipment. Webb County may require Contractor to replace Equipment that cannot be returned to service within four (4) working days after a service call is placed. Replacement equipment will be of a type and condition at least equal to the type and condition of Equipment being replaced. Contractor will keep all Equipment in a neat and sanitary condition. Contractor will clean all spills that occur while filling, cleaning, or maintaining Equipment, clean Equipment each time Contractor restocks or services Equipment, and remove packaging and waste from Locations after each service call. Contractor will cooperate with Webb County to promptly remedy any sanitary problems related to Equipment.
- 2.8.4 Inspecting and Restocking Equipment. Contractor will inspect and restock Equipment at least once each working day, unless Webb County directs otherwise.
- 2.8.5 Operating Notices. Contractor will affix to all Equipment a prominent notice containing instructions on how to (1) operate Equipment, (2) report malfunctions, (3) comment on Product quality, and (4) request refunds.
- 2.8.6 Energy Efficient Equipment. Webb County requires that only the most energy efficient vending machines be installed and that energy efficient machines replace outdated machines or retrofit said machines with energy saving vending machines.

2.9. Refunds. Contractor will be required to provide contact information on Equipment to address refund concerns. Contractor will supply a written form, mutually agreeable to both parties, to be used for submitting refund claims to Contractor. The form will include space for claimants to identify (1) the type of Equipment, (2) the Location, (3) the amount of the loss, (4) a description of how the loss occurred, (5) the date of the loss, (6) the claimant's name and signature, and (7) the date of the refund claim.

2.10. Cost of Operations. Contractor will pay all costs for installing, operating, stocking, servicing, and replacing the Equipment; Webb County will provide Contractor with electricity for operation of Equipment at Locations. Webb County will not be responsible for any money shortages that result from theft, burglary, inoperable or malfunctioning Equipment, or any other cause.

2.11. Signs. Contractor will not post signs or posters at the Locations. Contractor may only engage in marketing or promotional activity at Locations, that in each instance, (a) fully complies with Applicable Laws, and (b) has received Webb County's advance written approval.

Section 3

Royalty Payments, Records and Reports

3.1 Royalty. Contractor will pay Webb County a royalty ("Royalty") on gross revenue generated by Work, all as more particularly provided in Exhibit "C" attached and incorporated for all purposes. The term "gross revenue" means gross revenue before exclusion of applicable sale taxes.

3.2. Payment and Report. Contractor will pay Webb County, through the Webb County Auditor's Office (1110 Washington Street, Suite 201, Laredo, Texas), the Royalty on or before the 5th day of the month that follows the month in which the Royalty was earned. Contractor will make all Royalty payments to the Webb County Auditor's office accompanied by a written report for the preceding month, showing the Royalty due and the dollar amount of gross revenue (a) from each piece of Equipment, and (b) from each Location. The report will also contain a summary showing all monthly and year-to-date gross revenue generated by Contractor as a result of Work.

3.3. Accurate Records. Contractor will keep accurate records of all sales at the Locations. Contractor will make all records related to the Work available to Webb County upon written request during the Term of this Agreement and for up to four (4) years after the expiration or termination of this Agreement. Contractor will permit authorized representatives of Webb County to accompany Contractor's employees during cash collection and counting activities and to randomly examine the receipts of Equipment operated by Contractor.

3.4. Form of Reports. All reports required or given under this Agreement will be presented in forms satisfactory to Webb County in all respects.

Section 4

License, Taxes, and Applicable Laws

4.1 Licenses and Taxes. Contractor will obtain, maintain in effect, and pay the cost of all licenses, permits, certifications, and inspections required in connection with Contractor's performance of Work. Contractor will pay all taxes (including sales, excise and payroll taxes), payroll deductions, employee benefits, fines, penalties, or other payments required by Applicable Laws in connection with Contractor's performance of Work. Contractor will file

proper sales tax returns with and remit sales tax payments to the Texas Comptroller of Public Accounts.

4.2 Applicable Laws. Contractor will comply with, and will cause its employees, representatives, agents, and subcontractors to comply with, all Applicable Laws

Section 5
Insurance

5.1 Insurance. Contractor, consistent with the status of an independent contractor will carry at least the following insurance, with companies authorized to do insurance business in the State of Texas or eligible surplus lines insurers operating in accordance with the Texas Insurance Code having an A M. Best Rating of A-VII or better, and in amounts not less than the following minimum limits of coverage:

5.1.1 Workers Compensation Insurance with statutory limits, and Employer Liability Insurance with limits of not less than \$1,000,000:

Employers Liability-Each Accident	\$1,000,000.00
Employers Liability-Each Employee	\$1,000,000.00
Employers Liability-Policy Limit	\$1,000,000.00

5.1.2 Commercial General Liability Insurance with limits of not less than:

Each Occurrence Limit	\$1,000,000.00
General Aggregate	\$2,000,000.00
Products-Completed Operations aggregate	\$2,000,000.00

This required Commercial General Liability policy will be issued on a form that insures Contractor's and subcontractor's liability for bodily injury (including death), property damage, personal and advertising injury assumed under the terms of the Agreement.

5.1.3 Commercial automobile liability insurance covering all owned, non-owned or hired automobiles with limits of not less than \$1,000,000.00 per-occurrence for bodily injury and property damage

5.2 Insurance Form. Contractor will deliver to Webb County:

5.2.1 After the execution and delivery of this Agreement and prior to the performance of any Work by Contractor, evidence of insurance on a Texas Department of Insurance (TOI) approved certificate form (the Acord form is a TOI-approved form) verifying the existence and actual limits of all required insurance policies; and, if the coverage period shown on the current certificate form ends during the Term, then prior to the end of the coverage period, a

new certificate form verifying the continued existence of all required insurance policies.

5.2.1.1. All insurance policies (with the exception of workers' compensation, employer's liability and professional liability) will be endorsed and name Webb County as an Additional Insured for liability caused in whole or in part by Contractor's acts or omissions with respect to its on-going and completed operations up to the actual liability limits of the required insurance policies maintained by Contractor. Commercial General Liability Additional Insured endorsement including ongoing and completed operations coverage will be submitted with the Certificates of Insurance. Commercial General Liability and Business Auto Liability will be endorsed to provide primary and non-contributory coverage.

5.2.1.2 Contractor hereby waives all rights of subrogation against Webb County. All insurance policies will be endorsed to provide a waiver of subrogation in favor of Webb County. No policy will be canceled until after thirty (30) days' unconditional written notice to Webb County. All insurance policies will be endorsed to require the insurance carrier providing coverage to send notice to Webb County thirty (30) days prior to any cancellation, material change, or non-renewal relating to any insurance policy required in this Section 5.

5.2.1.3 Contractor will pay any deductible or self-insured retention for any loss. Any self-insured retention must be declared to and approved by Webb County prior to the performance of any Work by Contractor under this Agreement. All deductibles and self-insured retentions will be shown on the Certificates of Insurance.

5.2.1.4 Certificates of Insurance and Additional Insured Endorsements as required by this Agreement will be mailed, faxed, or emailed to the following Webb County contact:

Name: Webb County Risk Management
c/o Director
Address: 1101 Washington Street, Suite 204
Laredo, Texas 78040
Facsimile Number: 956-523-5012
Email Address: palfaro@webbcountytexas.gov

5.3 Contractor's or subcontractor's insurance will be primary to any insurance carried or self-insurance program established by Webb County. Contractor's or subcontractor's insurance will be kept in force until all Work has been fully performed and accepted by Webb County in writing.

Section 6
Indemnification

TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR WILL INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY WEBB COUNTY, AND HOLD HARMLESS WEBB COUNTY, WEBB COUNTY COMMISSIONERS COURT, OFFICERS, ATTORNEYS, EMPLOYEES, REPRESENTATIVES AND AGENTS (COLLECTIVELY, INDEMNITEES) FROM AND AGAINST ALL DAMAGES, LOSSES, LIENS, CAUSES OF ACTION, SUITS, JUDGMENTS, EXPENSES, AND OTHER CLAIMS OF ANY NATURE, KIND, OR DESCRIPTION, INCLUDING REASONABLE ATTORNEYS' FEES INCURRED IN INVESTIGATING, DEFENDING OR SETTLING ANY OF THE FOREGOING (COLLECTIVELY, CLAIMS) BY ANY PERSON OR ENTITY, ARISING OUT OF, CAUSED BY, OR RESULTING FROM CONTRACTOR'S PERFORMANCE UNDER OR BREACH OF THIS AGREEMENT AND THAT ARE CAUSED IN WHOLE OR IN PART BY ANY NEGLIGENT ACT, NEGLIGENT OMISSION OR WILLFUL MISCONDUCT OF CONTRACTOR, ANYONE DIRECTLY EMPLOYED BY CONTRACTOR OR ANYONE FOR WHOSE ACTS CONTRACTOR MAY BE LIABLE. THE PROVISIONS OF THIS SECTION WILL NOT BE CONSTRUED TO ELIMINATE OR REDUCE ANY OTHER INDEMNIFICATION OR RIGHT WHICH ANY INDEMNITEE HAS BY LAW OR EQUITY. ALL PARTIES WILL BE ENTITLED TO BE REPRESENTED BY COUNSEL AT THEIR OWN EXPENSE.

IN ADDITION, CONTRACTOR WILL INDEMNIFY, PROTECT, DEFEND WITH COUNSEL APPROVED BY WEBB COUNTY, AND HOLD HARMLESS INDEMNITEES FROM AND AGAINST ALL CLAIMS ARISING FROM INFRINGEMENT OR ALLEGED INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK OR OTHER PROPRIETARY INTEREST ARISING BY OR OUT OF THE PERFORMANCE OF SERVICES OR THE PROVISION OF GOODS BY CONTRACTOR, OR THE USE BY INDEMNITEES, AT THE DIRECTION OF CONTRACTOR, OF ANY ARTICLE OR MATERIAL; PROVIDED THAT, UPON BECOMING AWARE OF A SUIT OR THREAT OF SUIT FOR INFRINGEMENT, WEBB COUNTY WILL PROMPTLY NOTIFY CONTRACTOR AND CONTRACTOR WILL BE GIVEN THE OPPORTUNITY TO NEGOTIATE A SETTLEMENT. IN THE EVENT OF LITIGATION, WEBB COUNTY WILL REASONABLY COOPERATE WITH CONTRACTOR. ALL PARTIES WILL BE ENTITLED TO BE REPRESENTED BY COUNSEL AT THEIR OWN EXPENSE.

Section 7

Representation and Warranties

7.1 Organization and Authority. Contractor represents it is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization and is duly authorized and in good standing to conduct business in the State of Texas, it has all necessary power and has received all necessary approvals to execute and deliver this Agreement, and the individual executing this Agreement on behalf of Contractor has been duly authorized to act for and bind Contractor.

7.2. Tax Certification. If Contractor is a taxable entity as defined by Chapter 171 Texas Tax Code (Chapter 171), then Contractor certifies that it is not currently delinquent in the payment of any taxes due under Chapter 171, or that it is exempt from the payment of those taxes, or that it is an out-of-state taxable entity that is not subject to those taxes, whichever is applicable.

7.3 Texas Family Code Child Support Certification. Pursuant to §231.006 Texas Family Code, Contractor certifies that it is not ineligible to receive the award of or payments under this Agreement and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.

7.4. No Conflict. Contractor has not entered into, and during the Term of this Agreement will not enter into, any other agreements that would conflict with Contractor's obligations under this Agreement or prevent it from fully complying with the provisions of this Agreement.

7.5 Undocumented Workers. The *Immigration and Nationality Act* (8 United States Code 1324a) (**Immigration Act**) makes it unlawful for an employer to hire or continue employment of undocumented workers. The United States Immigration and Customs Enforcement Service has established the Form I-9 Employment Eligibility Verification Form (I-9 Form) as the document to be used for employment eligibility verification (8 Code of Federal Regulations 274a). Among other things, Contractor is required to: (1) have all employees complete and sign the I-9 Form certifying that they are eligible for employment; (2) examine verification documents required by the I-9 Form to be presented by the employee and ensure the documents appear to be genuine and related to the individual; (3) record information about the documents on the I-9 Form, and complete the certification portion of the I-9 Form; and (4) retain the I-9 Form as required by law. It is illegal to discriminate against any individual (other than a citizen of another country who is not authorized to work in the United States) in hiring, discharging, or recruiting because of that individual's national origin or citizenship status. If Contractor employs unauthorized workers during performance of this Agreement in violation of the Immigration Act then, in addition to other remedies or penalties prescribed by Applicable Laws, Webb County may terminate this Agreement in accordance with **Section 10**. Contractor represents and warrants that it is in compliance with and agrees that it will remain in compliance with the provisions of the Immigration Act.

7.6. Contractor Certification regarding Boycotting Israel. Pursuant to Chapter 2270 Texas Government Code, Contractor certifies Contractor (1) does not currently boycott Israel; and (2)

will not boycott Israel during the Term of this Agreement. Contractor acknowledges this Agreement may be terminated and payment withheld if this certification is inaccurate.

Section 8
Relationship of Parties

8. For all purposes of this Agreement and notwithstanding any provision of this Agreement to the contrary, Contractor is an independent contractor and is not a county employee, partner, joint venturer, or agent of Webb County. Contractor will not bind nor attempt to bind Webb County to any agreement or contract. As an independent contractor, Contractor is solely responsible for all taxes, withholdings, and other statutory or contractual obligations of any kind, including workers' compensation insurance.

Section 9
Notices

9. Except as otherwise provided in this Section, all notices, consents, approvals, demands, requests or other communications provided for or permitted to be given under any of the provisions of this Agreement will be in writing and will be sent via registered or certified mail, overnight courier, confirmed facsimile transmission (to the extent a facsimile number is set forth below), or email (to the extent an email address is set forth below), and notice will be deemed given (i) if mailed, when deposited, postage prepaid, in the United States mail, (ii) if sent by overnight courier, one business day after delivery to the courier, (iii) if sent by facsimile (to the extent a facsimile number is set forth below), when transmitted, and (iv) if sent by email (to the extent an email address is set forth below), when received :

If to Webb County: Webb County, Texas
 1000 Houston Street, 3rd Floor
 Laredo, Texas 78040
 Fax: (956) 523-5065
 Attention: Webb County Judge

With copy to: Webb County Civil Legal Division
 1000 Houston Street, 2nd Floor
 Laredo, Texas 78040
 Fax: (956) 523-5938

If to Contractor: Laredo Vending Co.
 107 Veracruz Drive
 Laredo, Texas 78045
 Attention: Natalia A. Chavez

Section 10
Default and Termination

10.1 Termination Without Cause by Webb County. This Agreement may be terminated by Webb County *without cause* by giving Contractor not less than Forty-Five (45) days written notice of Webb County's intention to terminate this Agreement as of a specified date. In the event this Agreement is terminated by Webb County before the end of the then current contract year, the Royalty will be paid by Contractor to Webb County (on a pro-rata basis through the effective date of termination) in accordance with Section 3 of this Agreement

10.2 Termination Without Cause By Contractor. This Agreement may be terminated by Contractor *without cause* by giving Webb County not less than Forty-Five (45) days written notice of Contractor's intention to terminate this Agreement as of a specified date. In the event this Agreement is terminated by Contractor before the end of the then current contract year, the Royalty will be paid by Contractor to Webb County (on a pro-rata basis through the effective date of termination) in accordance with Section 3 of this Agreement

10.3 Termination by Default. In the event of a material failure by a party to this Agreement to perform in accordance with the terms of this Agreement (**default**), the other party may terminate this Agreement upon thirty (30) days' written notice of termination setting forth the nature of the default; provided, that, the default is through no fault of the terminating party. Termination will not be effective if the default is fully cured prior to the end of the thirty (30) day period. If Contractor fails to cure any default within thirty (30) days after receiving written notice of default, Webb County will be entitled (but will not be obligated) to cure the default and will have the right, at Webb County option to collect any and all reasonable expenses incurred in connection with the curative actions from Contractor or to set of the expenses against any amounts due to Contractor under the Agreement.

10.4 No Release of Liability. Termination of this Agreement under **Sections 10.1 or 10.2** will not relieve Contractor or any of its employees, representatives, agents, or subcontractors from liability for any default under the terms of this Agreement or any other act or omission.

10.5. Transition Period. If this Agreement expires or is terminated for any reason, then at Webb County's option, Contractor will continue to perform Work in accordance with the terms of this Agreement until Webb County contracts with a new qualified and experienced vendor(s) to perform Work or is able to perform Work in-house; provided, that, Contractor will not be required to continue performing Work for more than three (3) months after expiration or termination of this Agreement. Contractor will cooperate with, and assist, Webb County's efforts to transition Work to another vendor(s) or to perform Work in-house.

10.6 Continuing Obligations. The expiration or termination of this Agreement will not relieve either party of any obligations under this Agreement that by their nature survive expiration or termination.

Section 11
No Other Rights

11. Except as expressly granted in this Agreement, nothing in this Agreement is intended to entitle either party to claim any right, title or interest in, or right to use, the name of the other party, the name or existence of any property or facility owned by the other party (or any portion thereof), or any other names, designs, logos, symbols, trademarks, service marks, representations or other identification of the other party.

Section 12
Assignment and Subcontracting

12. Assignment and Subcontracting. Contractor's interest in this Agreement (including Contractor's duties and obligations under this Agreement, and any amounts due to Contractor under this Agreement) may not be subcontracted, assigned, delegated, or otherwise transferred to a third party, in whole or in part, and any attempt to do so will (a) not be binding on Webb County; and (b) be a default under this Agreement for which Contractor will be subject to all remedial actions provided by Texas law. The benefits and burdens of this Agreement are assignable by Webb County.

Section 13
Merger and Amendment

13. This Agreement (including the Exhibits) constitutes the entire agreement between the parties and supersedes any existing rights in prior contracts between the parties with regard to the subject matter of this Agreement. No prior or contemporaneous agreement, oral or written, will be effective to vary the terms or conditions of this Agreement. No amendment to this Agreement will be effective unless reduced to writing and signed by an authorized representative of each party.

Section 14
General Provisions

14.1 Venue Governing Law. Webb County Texas, will be the proper place of venue for suit on or in respect of this Agreement. This Agreement, all of its terms and conditions, all rights and obligations of the parties, and all claims arising out of or relating to this Agreement, will be construed, interpreted and applied in accordance with, governed by and enforced under, the laws of the State of Texas.

14.2 Time of Performance. Time is of the essence with regard to this Agreement and Contractor's performance of Work. Contractor will commence delivery of Work and perform Work to the satisfaction of Webb County in accordance with the terms and conditions set forth in this Agreement. Webb will have no obligation to accept late performance or to waive untimely performance by Contractor.

14.3 Webb County's Right To Audit. At any time during the Term of this Agreement and for a period of four (4) years after the termination or expiration of this Agreement, Webb County or a duly authorized representative of Webb County, at its expense, will have the right to audit Contractor's records and books relevant to all services provided under this Agreement. In the

event an audit reveals any errors or underpayments to Webb County, Contractor will pay to Webb County the full amount of the underpayments within thirty (30) days after being notified in writing of the audit findings.

14.4 Force Majeure. Neither party will be liable or responsible to the other for any loss or damage or for any delays or failure to perform due to causes beyond its reasonable control including acts of God, strikes, epidemics, war, riots, flood, fire, sabotage, or any other circumstances of like character; (“**Force Majeure Occurrence**”). Provided, however, in the event of a Force Majeure Occurrence, Contractor will use its best efforts to mitigate the impact of the occurrence so that Webb County may continue to provide its services during the occurrence.

14.5 Severability, Titles. In case any provision of this Agreement is, for any reason, held invalid or unenforceable in any respect, the invalidity or unenforceability will not affect any other provision of this Agreement, and this Agreement will be construed as if the invalid or unenforceable provision had not been included in this Agreement. Captions and titles of sections and subsections in this Agreement are for convenience only and will not be considered or referred to in resolving questions of interpretation or construction.

14.6 Non-Appropriation. Webb County’s performance of its duties and obligations under this Agreement may be dependent upon the appropriation and allotment of funds by the Webb County’s Commissioner Court (“Commissioner Court”). If the Commissioners Court fails to appropriate or allot the necessary funds, or the Commissioners Curt fails to allocate the necessary funds, then Webb County will issue written notice to Contractor and Webb County may terminate this Agreement without further duty or obligation. Contractor acknowledges that appropriation, allotment, and allocation of funds are beyond the control of Webb County.

14.7 Limitations. THE PARTIES ARE AWARE THAT THERE ARE CONSTITUTIONAL AND STATUTORY LIMITATIONS ON THE AUTHORITY OF WEBB COUNTY (A POLITICAL SUBDIVISION OF THE STATE OF TEXAS) TO ENTER INTO CERTAIN TERMS AND CONDITIONS THAT MAY BE A PART OF THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, THOSE TERMS AND CONDITIONS RELATING TO LIENS ON WEBB COUNTY'S PROPERTY; DISCLAIMERS AND LIMITATIONS OF WARRANTIES; DISCLAIMERS AND LIMITATIONS OF LIABILITY FOR DAMAGES; WAIVERS, DISCLAIMERS AND LIMITATIONS OF LEGAL RIGHTS, REMEDIES, REQUIREMENTS AND PROCESSES; LIMITATIONS OF PERIODS TO BRING LEGAL ACTION; GRANTING CONTROL OF LITIGATION OR SETTLEMENT TO ANOTHER PARTY; LIABILITY FOR ACTS OR OMISSIONS OF THIRD PARTIES; PAYMENT OF ATTORNEYS' FEES; DISPUTE RESOLUTION; INDEMNITIES; AND CONFIDENTIALITY (COLLECTIVELY, **LIMITATIONS**), AND TERMS AND CONDITIONS RELATED TO THE LIMITATIONS WILL NOT BE BINDING ON WEBB COUNTY EXCEPT TO THE EXTENT AUTHORIZED BY THE LAWS AND CONSTITUTION OF THE STATE OF TEXAS.

14.8 Press Releases. Except when defined as part of the Work, Contractor will not make any press releases, public statements, or advertisement referring to the engagement of Contractor

as an independent contractor of Webb County in connection with this Agreement, or release any information relative to this Agreement for publication, advertisement or any other purpose without the prior written approval of Webb County.

14.9 Public Information. Webb County strictly adheres to all statutes, court decisions and opinions of the Texas Attorney General with respect to disclosure of public information under the Texas *Public Information Act (TPIA)*, Chapter 552 Texas Government Code. In accordance with §552.002 of TPIA and at no additional charge to Webb County, Contractor will make any information created or exchanged with Webb County pursuant to this Agreement (and not otherwise exempt from disclosure under TPIA) available in a format reasonably requested by Webb County that is accessible by the public.

14.10 Termination. In addition to any other termination rights set forth in this Agreement and any other rights at law or equity, if Webb County reasonably determines that Contractor has breached any of the restrictions or obligations set forth in this Section, Webb County may immediately terminate this Agreement without notice or opportunity to cure.

14.11 Duration. The restrictions and obligations under this Section will survive expiration or termination of this Agreement for any reason.

Section 15
Webb County Approval

This Agreement is not affective until approved by the Webb Count Commissioners Court

Webb County and Contractor have caused their authorized representative to execute and deliver this Agreement to be effective as of the Effective Date.

WEBB COUNTY

CONTRACTOR
Laredo Vending Co.

By: _____
Hon. Tano Tijerina
Title: Webb County Judge

By: _____
Natalia A. Chavez
Title: President/Director

Date Signed: _____

Date Signed: _____

Attachments:

- Exhibit A-Building Locations for Equipment
- Exhibit B-Products and Sales Price
- Exhibit C-Vending Royalty Schedule

EXHIBIT "A"

VENDING MACHINE LOCATIONS

DEPARTMENT	LOCATION	Vending Machine Type
Youth Village 1 st Floor	111 Camino Nuevo	Beverage
Youth Village 1 st Floor	111 Camino Nuevo	Beverage
Youth Village 1 st Floor	111 Camino Nuevo	Snack
Youth Village 2 nd Floor	111 Camino Nuevo	Beverage
Engineering/Indigent Services 2 nd Floor	1620 Santa Ursula	Beverage
Water Utilities	513 Martha Drive	Beverage
Road & Bridge Department	7210 E. Saunders Highway 59	Beverage
Justice of the Peace Pct. 4	8501 San Dario Avenue	Snack
Sheriff-Jail 1 st Floor	1000 San Agustin Avenue	Beverage
Sheriff-Jail 1 st Floor	1000 San Agustin Avenue	Snack
Sheriff-Jail 1 st Floor	1000 San Agustin Avenue	Snack
Webb County Sheriff 2 nd Floor	902 Victoria Street	Beverage
Billy Hall 1 st Floor	1110 Washington Street	Beverage
Billy Hall 1 st Floor	1110 Washington Street	Snack
Billy Hall 2 nd Floor	1110 Washington Street	Beverage
Billy Hall 3 rd Floor	1110 Washington Street	Beverage
Justice Center 1 st Floor	1110 Washington Street	Beverage
Justice Center 1 st Floor	1110 Washington Street	Beverage
Justice Center 1 st Floor	1110 Washington Street	Snack
Justice Center 1 st Floor Tax Office Breakroom	1110 Washington Street	Beverage
Justice Center 1 st Floor (Outside)	1110 Washington Street	Beverage
Justice Center 2 nd Floor	1110 Washington Street	Beverage
Justice Center 2 nd Floor	1110 Washington Street	Beverage
Justice Center 2 nd Floor	1110 Washington Street	Snack
Justice Center 2 nd Floor	1110 Washington Street	Beverage
Bruni Community Center	Bruni, Texas	Beverage

EXHIBIT "B"



LAREDO VENDING CO.
SNACKS & DRINKS

VENDING PRODUCTS & PRICING

Chips, & Snack Mixes (price subject to size)

• Oven Baked Lays Mix	\$1.00-\$1.25
• Regular Lays Mix	\$1.00-\$1.25
• Mexican Lays Tostitos	\$1.00-\$1.25
• Chex Mix Traditional	\$1.00-\$1.25
• Hot Pork Chicharrones	\$1.00-\$1.25
• Cheetos Flamin' Hot	\$1.00-\$1.25
• Frito Lay Bold Mix	\$1.00-\$1.25
• Cheetos Crunchy	\$1.00-\$1.25
• Cheetos Cheddar Jalapeno.....	\$1.00-\$1.25
• Frito Lay Fiesta Favorites Mix	\$1.00-\$1.25
• Ruffles Cheddar	\$1.00-\$1.25
• Funyuns Hot Rings Cebollitas	\$1.00-\$1.25
• Doritos Azules	\$1.00-\$1.25
• Doritos Rojos	\$1.00-\$1.25
• Lays Negras	\$1.00-\$1.25
• Fritos	\$1.00-\$1.25
• Fritos BBQ	\$1.00-\$1.25
• Chester Hot Fries	\$1.00-\$1.25
• Lays Classic	\$1.00-\$1.25
• Ruffles Original	\$1.00-\$1.25
• Flamin Hot Mix	\$1.00-\$1.25
• Premier Mix	\$1.00-\$1.25

Chocolate bars

• Hershey's Regular	\$1.50
• Hershey's Almond	\$1.50
• Hershey's Cookies & Cream	\$1.50
• M&Ms	\$1.50
• Kit Kat	\$1.50
• 3 Musketeers	\$1.50
• MilkyWay	\$1.50
• Almond Joy	\$1.50
• Snickers	\$1.50

EXHIBIT "B"



LAREDO VENDING CO.
SNACKS & DRINKS

- Crunch \$1.50
- Twix \$1.50

Non Chocolate candy

- Skittles/Starbust variety \$1.50

Nuts

- Planters Nut Variety Pack \$1.25
- Corn Nuts \$1.25
- Sabritas Peanut Variety Pack \$1.00
- Pistachios \$2.00

Cookies

- Oreo Cookies 6 \$1.25
- Nabisco Classic Mix Variety Pack \$1.25
- M&Ms Cookies \$1.25
- Knotts Strawberry \$1.25
- Goldfish Crackers \$1.25

Pastry

- Chocolate Cupcake \$1.50
- Big Texas \$1.50
- Sugar Donuts \$1.50
- Cherry & Cheese Danish \$1.50
- Cream Cheese Danish \$1.50
- Honey Bun \$1.50
- Muffins Oreo \$1.50
- Concha bimbo \$1.25
- Gansito Marinela \$1.25
- Mantecadas Bimbo \$1.25

Healthy snacks

- Nature Valley Sweet & Salty \$1.00
- Nature Valley Crunchy \$1.00
- Nature Valley Protein Bar \$1.00
- Special K Protein Bar (flavor variety) \$1.00
- Cliff Protein Bar (Flavor variety) \$2.00
- Quaker Chewy Granola Bar \$1.00

EXHIBIT "B"



LAREDO VENDING CO.

- Quaker Chewy Dipps Chocolate Bar \$1.00
- Sweet & Salty Mix \$1.00
- Kellogg's Pop Tarts (Strawberry & Cinnamon) \$1.25
- Kellogg's Nutri Grain Bar (Flavor Variety) \$1.00
- Rice Krispies Treats \$1.00
- Goldfish Baked \$1.00
- Knott's Strawberry \$1.25
- Mott's Fruit Snacks \$1.00

Drinks

- Can coca cola \$1.00
- Can coca cola light \$1.00
- Can coca cola zero \$1.00
- Can sprite \$1.00
- Can Pepsi \$1.00
- Can Dr. Pepper \$1.00
- Can big red \$1.00
- Can Mtn Dew \$1.00
- Bottle coca cola 16.9oz \$1.25
- Bottle coca cola light 16.9oz \$1.25
- Bottle sprite 16.9oz \$1.25
- Bottle coca cola zero 16.9oz \$1.25
- Lipton Tea \$1.25
- Powerade \$2.00
- Ozarka Water 20oz \$1.00
- Monster \$2.50

EXHIBIT "C"
VENDING MACHING ROYALTY PAYMENT
LAREDO VENDING CO

Laredo Vending Co agrees to pay Webb County, for the term of the Agreement, Twelve percent (12%) of Laredo Vending Co.'s gross monthly revenues from sales of vending machine products sold at Webb County locations. "Gross revenue" means gross revenue, before exclusion of applicable sale taxes ,generated (a) from each piece of Equipment and (b) from each Location.