

**CITY OF EULESS  
OFFICE OF PURCHASING**

**ANNUAL AGREEMENT STANDARD PROVISIONS**

Contractor and Buyer agree as follows:

1. Term. The term of this Service Agreement shall normally be for twelve months, with the option to extend for up to two twelve month periods, subject to the approval of the Contractor and the City. (Terms may vary as stated in the bid document)
  
2. Description – Sale of Services. Contractor shall transfer and deliver to the City and the City shall pay for and accept all of the City’s requirements during the referenced term of the Agreement for all of the items listed and described on the Bid Sheet. Quantities shown on the Bid Sheets are merely estimates and do not obligate the City to order or accept more than the City’s actual requirements during the period of this Agreement, nor do the estimates limit the City to ordering less than its actual needs during the period of this Agreement, subject to availability of appropriated funds.  
  

Annual Agreements - Issued by the Purchasing Division to create an annual agreement between the City and a vendor for specific items and/or services to be provided at a certain price, on an as-needed basis. Annual agreements do not encumber funds until a release against the blanket order is issued. Annual agreements are normally issued following a bid award by the City Council where the annual expenditure is expected to exceed \$25,000. Annual agreements may be for the exclusive use of an individual operating department or split between operating departments or may be established for citywide use.
  
3. Release Order. The City shall exercise its right to specify time, place, and quantity to be delivered in the following manner: Department must reference a release order number when ordering off a contract. The release order will refer to this Blanket Agreement number and release number and will specify the item, quantity, delivery date, shipping instructions and receiving address of the ordering department or division.
  
4. Default In One Installment To Constitute Total Breach. Each installment or lot of this Agreement is dependent on every other installment or lot, and a delivery of non-conforming goods or services, or a default of any nature under one installment or lot will impair the value of the whole Agreement and constitutes a total breach of the Agreement as a whole.
  
5. Independent Contractor. Contractor shall perform the services hereunder as an independent Contractor and shall furnish such services in its own manner and method, and under no circumstances or conditions shall any agent, servant, or employee of Contractor be considered as an employee of the City.

6. Insurance Requirements. Before activities can begin under this agreement, a Certificate of Insurance as proof of the required insurance coverages must be delivered to the Contract Administrator if specified in the Bid Invitation. Additionally, the Certificate must state that the City will be given at least thirty (30) days notice of cancellation, material change in the coverages, or intent not to renew any of the policies. The City shall be named as an Additional Insured. The City may also ask for copies of the insurance policies.
7. Assignment – Delegation. No assignment of this Agreement or any right or interest herein by Contractor shall be effective unless the City shall first give its written consent to such assignment. The performance of this Agreement by Contractor is of the essence of this Agreement and the City’s right to withhold consent to such assignment shall be within the sole discretion of the City on any grounds whatsoever.
8. Right to Assurance. Whenever one party to this contract in good faith has reason to question the other party’s intent to perform, he may demand that the other party give written assurance of his intent to perform. In the event that a demand is made and no assurance is given within five (5) days, the demanding party may treat this failure as an anticipatory repudiation of the contract.
9. Applicable Law. This Agreement shall be subject to all Federal laws and laws of the State of Texas. All duties of the parties shall be performed in the City of Euless, Texas. The applicable law for any legal disputes arising out of this Agreement shall be the law of Texas and such forum and venue for such disputes shall be the appropriate City, county, or justice court in and for Tarrant County, Texas.
10. Hold Harmless. Contractor shall fully indemnify, save and hold harmless the City, its officers, employees, and agents (hereinafter “the Indemnities”) against any and all liability, damage, loss, claims. Demands and actions of any nature whatsoever on account of personal injuries (including, without limitation on the foregoing, workers’ compensation and death claims), or property loss or damage of any kind whatsoever, which arise out of or are in any manner connected with, or are claimed to arise out of or be in any manner connected with, the performance of this Agreement, unless such injury, loss or damage shall be caused by the sole negligence of Indemnities. Contractor shall at its own expense investigate all such claims and demands, attend to their settlement or other disposition, defend all actions based thereon and pay all charges of attorney and all other cost and expenses of any kind arising from any such liability, damage, loss, claims, demands, and actions.
11. Price Adjustment. **All goods and services to delivered pursuant to the terms of this Annual Agreement, including any extensions thereof, shall be purchased at the prices set forth on Contractor’s Bid Sheet; provided that, at the time of any renewal or extension of the Agreement for an additional twelve-month period, the prices for goods and services to delivered during the ensuing twelve-month period may be increased or decreased to the extent of changes in the cost of material to Contractor, as reflected in written documentation (Ex . Producer’s Price Index) provided by Contractor to the City.**