

STATE OF TEXAS           §  
  §  
COUNTY OF HIDALGO   §

**REQUIREMENTS AGREEMENT  
C-24-0399-01-28**

**THIS AGREEMENT** (the "Agreement") is made and entered into this 28<sup>th</sup> day of January 2025, by and between the **County of Hidalgo, Texas** by and through the **Hidalgo County Commissioners Court** (the "County"), and **Ergon Asphalt & Emulsions, Inc.** ("**Company**").

**WHEREAS**, County requested responses to notices for Request for Bids (RFB) for the supply of required "**SS-1 Emulsified Asphalt & Delivery Services**" for County (on an as needed basis) (**the "Products"**). A copy of the procurement packet, including applicable specifications, is attached hereto as **Exhibit "A"** (the "Procurement Packet"), and is incorporated herein for all purposes;

**WHEREAS**, Company submitted a response to supply County's requirements in accordance with the specifications as bid. A copy of Company's response to the Procurement Packet attached hereto as **Exhibit "B"** (the "**Response**"), and incorporated herein for all purposes; and

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

**WHEREAS**, Company represents that it is qualified and desires to perform such services; and

**WHEREAS**, in recognition of and in consideration of Company's agreement to provide the Products in accordance with the Procurement Packet, the Commissioners Court of County awards this contract to Company.

**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. County and Company hereby agree that this Contract is entered into in order to provide the Product to County on an as needed basis. This Contract does not extend to any third parties any duties or benefits conferred in any manner hereunder or otherwise.
2. During the term of this Contract, County agrees to purchase from Company, and Company agrees to sell and deliver to County, all of the Products in accordance with specifications and terms contained in **Exhibit "A"** Procurement Packet and as listed in **Exhibit "B"** Company's Response that County may require for use by County in Hidalgo County projects. 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 Company a Purchase Order describing the type and quantity of the

Products required. The Products are to be delivered by Company to the location in Hidalgo County specified by County in its Purchase Order. The Company will not begin to work or incur costs until authorized in writing by the County with the release of an authorized Purchase Order or other appropriate written authorization by the County or its designated agent. Company agrees in producing/delivering the Products, goods and/or services to use professional standards, comply with any and all appropriate laws and regulations and to devote such time as is necessary to safely and efficiently provide the same. County reserves the right to evaluate any products, goods and/or services provided by the Company and to reject the same if not in compliance with the specifications as provided in **Exhibits "A" and "B"**. If the County finds it necessary to require changes in products, goods and/or work provided because of errors made by the Company, the County shall require the Company to correct the work at no cost to the County and without amendment to the Agreement. Hidalgo County reserves the right to request these services from other sources other than the successful vendor and shall not be in violation of any terms or conditions of said contract.

3. **Term.** This Contract shall commence on **January 31, 2025** and shall expire on **December 31, 2026**, unless sooner terminated. The term of this agreement may be extended at the County's sole discretion for **three (3) additional one (1) year term(s)** under the same rates, terms and conditions. Hidalgo County also 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.

4. **Consideration.** County agrees to pay Company for each Purchase Order based on the prices set out in **Exhibit "B"**. Company 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.

5. **License/Certifications.** As a condition of this Agreement, Company shall hold and maintain throughout the term of this Agreement all licenses and permits required, or which may be required by any authority, including the State of Texas, during the term hereof to provide the Services. Company further represents that it is qualified to perform and execute the services described above. If such license or permit is suspended or revoked, this Agreement shall automatically be terminated and Company shall immediately notify County. Company shall provide the County with all current state certifications, permits, and/or licenses with applicable seals, or as otherwise required by the State of Texas.

6. **Equipment.** If applicable, Company shall provide a sufficient number of trucks, vehicles, personnel and equipment available to safely and efficiently provide the Services. All trucks or vehicles operated by the Company to perform the Services shall contain all equipment required by any authority to operate on streets and roads. All persons in the employ of Company who operate trucks, vehicles or other equipment to perform Services shall have the required licenses, qualifications, skill and expertise to perform such Services and shall comply with all laws, rules and regulations prescribed by any agency or authority having jurisdiction with regard to the operation of such trucks, vehicles or other equipment in providing the Services.

7. **Independent Contractor.** The Company 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 Company under this Agreement. Notwithstanding the foregoing sentence, Company represents and maintains that Company is an Independent Contractor and is not an employee of the County, or any agency thereof, and represents and warrants that Company does not desire or request any fringe benefits provided to employees of County, and/or any agency of the County, including but not limited to benefits associated with Hidalgo County's Civil Service Program. This Contract and the performance by the Parties hereunder does not create an agency relationship or master-servant relationship. Company agrees to be responsible for any federal income tax, withholding or social security tax liability that might arise from payments received hereunder. Company will incur no financial obligation on behalf of the County without prior written approval of the County. Company will be responsible for all personal and professional expenses, including, but not limited to, membership fees and dues and expenses of attending conventions and meetings. The County will have no right to direct or control the details, manner or means by which Company or its affiliates provide the Services, except as otherwise set forth in this Agreement. Company agrees to not take any action that is detrimental to, or not in the best interest of the County.

8. **Termination.** County may terminate this Agreement without cause upon thirty (30) days written notice.

9. **Non-Exclusive Services of Company.** Hidalgo County reserves the right to request this Product, Good and/or service from other sources other than the Company and shall not be in violation of any terms or conditions of this Agreement.

10. **Insurance:** Consistent with its status as an independent contractor and at its sole expense, Company agrees that throughout the duration of the work under this contract and any extension hereof, it shall provide and maintain any and all insurances and abide by any requirements which are specified in the Procurement Packet/Specifications and/or which may be necessary in providing Services or are otherwise required by law. Insurance policies shall cover, but are not limited to, Bidder's activities and all persons, vehicles, equipment and property connected with providing Services, to include theft and loss. The amount of insurance required shall be in accordance with amounts specified by the County or as prescribed by law, but in no event shall any amount be less than the minimum amounts prescribed by law, including, but not limited to the Texas Tort Claims Act. These requirements do not establish limits of Company's liability. Any and all applicable insurance requirements and amounts are incorporated herein by reference for all purposes. Company is responsible for ensuring all required insurance policies are valid for the duration of the contract. All insurance policies are to be issued by an insurance company authorized to do business in the State of Texas and acceptable to County. Company shall cause all subcontractors utilized by Company to also comply with these specifications. Company shall furnish to County certificate(s) of coverage, and all renewals throughout the duration of the Project, issued by the insurer that such insurance is in full force and effect. (See **Exhibit "C"** attached hereto and incorporated herein for all purposes). For each applicable policy, Company shall name the County as an additional insured. Company shall notify County a minimum of thirty (30) days in advance of cancellation of all or part of a policy. Company shall make any other insurance documentation available to County upon request. Company will be considered in breach

of contract should the Company fail to maintain an insurance policy in the minimum limits of liability and requirements identified above while performing services for and under this Agreement, and will be subject to default and immediate termination of the Agreement. Additionally, Company covenants and agrees to use its best efforts to maintain an insurance policy in the minimum limits of liability and requirements identified above until one year following the conclusion of this Agreement.

**11. INDEMNIFICATION. COMPANY SHALL INDEMNIFY AND HOLD COUNTY, ITS ELECTED OFFICIALS, EMPLOYEES AND AGENTS HARMLESS FROM ANY AND ALL CLAIMS, ACTIONS, LIABILITY, DAMAGES, LOSSES AND EXPENSES (INCLUDING COSTS OF JUDGMENTS, SETTLEMENTS, COURT COSTS, AND ATTORNEYS' FEES, REGARDLESS OF THE OUTCOME OF SUCH CLAIM OR ACTION) CAUSED BY, RESULTING FROM, OR ALLEGING NEGLIGENT OR INTENTIONAL ACTS OR OMISSIONS OR ANY FAILURE TO PERFORM ANY OBLIGATION UNDERTAKEN OR ANY COVENANT IN THIS CONTRACT, WHETHER SUCH ACT, OMISSION, OR FAILURE WAS THE COMPANY'S OR THAT OF ANY PERSON PROVIDING SERVICES HEREUNDER THROUGH OR FOR THE COMPANY. UPON WRITTEN NOTICE FROM THE COUNTY, THE COMPANY WILL RESIST AND DEFEND AT ITS OWN EXPENSE, AND BY COUNSEL REASONABLY SATISFACTORY TO COUNTY, ANY SUCH CLAIM OR ACTION. THE COMPANY WILL CARRY PROPER INSURANCE WITH THE COUNTY AS AN ADDITIONAL NAMED INSURED. THIS INDEMNIFICATION CLAUSE SHALL SURVIVE THIS AGREEMENT AND BE ENFORCEABLE AS A SEPARATE AGREEMENT IN THE EVENT ITS SURVIVAL AND ENFORCEMENT BECOME NECESSARY.**

**12. Notice.** Except as may be otherwise specifically provided in this Agreement, 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 E. Cano, 2<sup>nd</sup> Floor  
  Edinburg, Texas 78539

If to Company:                Company Name:  
  Attention:  
  Address  
  City, State, Zip Code

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.

13. **GENERAL PROVISIONS.**

- a. **Assignment.** Except as otherwise herein provided, Company shall not assign the obligations or rights under this Agreement to any person without the prior written consent of County.
- b. **Conflict with Applicable Law.** Nothing in this Agreement 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 Agreement 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 Agreement shall be modified only to the extent necessary to bring them within the legal requirements and only during the time such conflict exists. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
- c. **No Waiver.** No waiver by County of any breach of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision hereof.
- d. **Governing Law.** This Agreement 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 Company hereby consents to personal jurisdiction in Hidalgo County, Texas.
- e. **Successors.** This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Agreement.
- f. **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 Contract, County may terminate this Contract upon sixty (60) days written notice to Company. County agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Contract. The parties intend this provision to be a continuing right to terminate this Contract at the expiration of each budget period of County. *Agreements for the acquisition, including lease of real or personal property under Tex. Loc. Govt. Code §271.903:* In the event that, during any term hereof, the Commissioner's Court does not appropriate sufficient funds to meet the obligations of County under this Agreement, County may terminate this Agreement upon sixty (60) days written notice to Company, County agrees, however, to use a best efforts attempt to obtain and appropriate funds for payment of the Agreement. The parties intend this provision, if applicable, to be a continuing right to terminate this Agreement at the expiration of each budget period of County in accordance with the Texas Local Government Code.

- g. **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.
- h. **Headings.** The headings and captions contained in this Agreement are solely for convenient reference and shall not be deemed to affect the meaning or interpretation of any provision or paragraph hereof.
- i. **Gender and Number.** All pronouns used in this Agreement 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.
- j. **Entire Agreement.** This Agreement contains the entire contract 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 Agreement not specifically set forth herein. This Agreement may be modified or amended only by an agreement in writing executed by County and Company, and not otherwise.
- k. **Purchasing Ethics.** Company represents and warrants it has not, during the process of being awarded this contract violated the following ethical standards of County and, upon and after the execution of this Agreement, agrees to abide by the following ethical standards of County:
  - i. It shall be a breach of ethics to offer, give or agree to give any elected official, department head or employee, or former elected official, department head or employee, of County, or for any elected official, department head or employee or former elected official, department head or employee of County, to solicit, demand, accept or agree to accept from another person, entity or organization, a gratuity or an office of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any program requirement or a contract or subcontract, or to any solicitation or proposal therefore pending before any department or agency of County.
  - ii. It shall be a breach of ethics for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor for any contract for County, or any person associated therewith, as an inducement for the award of a subcontract or order.

- l. **Void Contract.** Company understands that an awarded contract may immediately become void if the County determines that a lack of compliance with applicable policies and/or statutes has occurred in the procurement process.
- m. **Nondiscrimination:** Company, including subcontractors, assignees and successors in interest, ensures that no person shall on the grounds of race, religion, color, national origin, sex, age, or disability, or any other protected class under law, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination or retaliation in any federally or non- federally funded program or activity when providing any services described herein under this contract/agreement. Applicable nondiscrimination statements and provisions of Title VI of the Civil Rights Act of 1964, as amended, were provided as part of the initial procurement packet and are incorporated herein and made part of this agreement for all purposes.
- n. **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.
- o. **Required Contract Provision for Contracts Subject to Federal Award (if applicable):** Pursuant to 2 CFR 200.327, 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.
- p. **Authority to Execute.** The execution and performance of this Agreement by County and Company have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of County and Company in accordance with its terms.

[SIGNATURE PAGE TO FOLLOW]

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

**APPROVED BY COMMISSIONERS' COURT ON January 28 2025.**

**Agenda Item No. 98052**

**Executive Office: \_\_\_\_\_**

**VENDOR:**  
Ergon Asphalt & Emulsions, Inc.

**COUNTY:**  
COUNTY OF HIDALGO

\_\_\_\_\_  
Ernesto Santillan, Area Sales Manager

\_\_\_\_\_  
Hon. Richard F. Cortez, County Judge

**APPROVED AS TO FORM**  
Office of the Criminal District Attorney,  
Toribio "Terry" Palacios

**ATTEST:**

\_\_\_\_\_  
Robert Viña, Assistant District Attorney

\_\_\_\_\_  
Arturo Guajardo, Jr., County Clerk

**ATTACHMENTS:**  
(If Applicable)

**SUPPLEMENTAL SIGNATURES:**  
(If Applicable)