

REQUIREMENTS AGREEMENT
C-10-066-06-22

THIS AGREEMENT is made effective this **July 14, 2010**, by and between the **County of Hidalgo, Texas (“County”)** and **Arguindegui Oil Company, II Ltd. a Limited Company (Primary Vendor); (“Seller”)**

WHEREAS, Buyer has solicited proposals for the supply of its requirements of Hidalgo County **“Lubricants-(Grease, Oil, Hydraulic Fluids) and Anti-Freeze Products,”** as further described in Exhibit "A" which is attached hereto and incorporated herein by reference for all purposes (the "Products") for a period of one (1) year with the County’s sole discretion to continue this bid for an additional sixty (60) day grace period at the end of the contract term for unforeseen delay in award of new bid and contingent upon cost remaining unchanged and;

WHEREAS, Seller has submitted a proposal to supply Buyer's requirements; and

WHEREAS, Buyer has determined that Seller has submitted the lowest and best bid to meet Buyer's requirements for the Product.

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. Buyer agrees to purchase from Seller, and Seller agrees to sell to Buyer, all of the Products that Buyer may require for use by Buyer in **“Lubricants-(Grease, Oil, Hydraulic Fluids) and Anti-Freeze Products”** in the areas of **HIDALGO COUNTY** projects for a period of one (1) year with the County’s sole discretion to continue this bid for an additional sixty (60) day grace period at the end of the contract term for unforeseen delay in award of new bid and contingent upon cost remaining unchanged and; it is agreed that the Products will meet the specifications set forth in Exhibit “A” (RFB Packet) hereto.

2. When Buyer 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 Buyer to the location in Hidalgo County specified by Buyer in its Purchase Order.

3. Buyer 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 Buyer on or before the 30th day following receipt of the invoice.

4. Any contract award to a successful bidder will be in effect until (a) the contract expires, (b) delivery and acceptance of products, and/or performance of services ordered, or (c) terminated by County with thirty day's written notice prior to cancellation.

5. General Provisions.

a. **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.

b. **No Waiver.** No waiver by Buyer 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.

c. **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 agreement in writing executed by Buyer and Seller, and not otherwise.

d. **Texas Law to Apply.** 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 parties hereby consent to personal jurisdiction in Hidalgo County, Texas.

e. **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 Buyer: Hidalgo County
Attention: County Judge
100 E. Cano, 2nd Floor
Edinburg, Texas 78539

If to Seller: Arguindegui Oil Company, II Ltd.
Attention: Carlos Arguindegui, Jr
4506 Hwy 359.
Laredo, Texas 78043

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.

f. **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.

g. **Successors.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Agreement.

h. **Assignment.** This Agreement shall not be assignable.

i. **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.

j. **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

k. **Authority to Execute.** The execution and performance of this Agreement by Buyer and Seller have been duly authorized by all necessary laws, resolutions or corporate action, and this Agreement constitutes the valid and enforceable obligations of Buyer and Seller in accordance with its terms.

l. **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 Buyer under this Agreement, Buyer may terminate this Agreement upon sixty (60) days written notice to Seller. Buyer agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of Buyer pursuant to the provisions of Tex. Loc. Govt. Code Ann. 271.903 (Vernon Supp. 1996).

m. **Insurance.** Company shall provide insurance in force on all its vehicles and all persons connected with providing services under this Contract naming County as an additional insured (with coverages and in the amounts described on Exhibit "C" attached hereto and incorporated herein at this point for all purposes), and shall furnish to County certificates of such insurance coverage.

n. **Purchasing Ethics.** Seller represents and warrants it has not, during the process of being awarded this contract violated the following ethical standards of Buyer and, upon and after the execution of this Agreement, agrees to abide by the following ethical standards of Buyer:

(1) 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 Hidalgo County, or for any elected official, department head or employee or former elected official, department head or employee of Hidalgo County, to solicit, demand, accept or agree to accept from another person, entity or organization, a gratuity or an officer 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 advise, 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 Hidalgo County.

(2) 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 Hidalgo County, or any person associated therewith, as an inducement for the award of a subcontract or order.

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

HIDALGO COUNTY

By: _____
Rene A. Ramirez, County Judge

ATTEST:

Arturo Guajardo, Jr., County Clerk

Arguindegui Oil Company, II Ltd

By: _____

Printed Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:
Atlas & Hall, LLP

By: _____
Steve Crain

Date: _____

APPROVED BY COMMISSIONERS COURT: _____

**EXHIBIT “A”
SPECIFICATIONS**

HIDALGO COUNTY
"LUBRICANTS (GREASE, OIL, HYDRAULIC FLUIDS)
AND ANTI-FREEZE PRODUCTS"
Bid No: 2010-066-04-28-otm

SPECIFICATIONS

I. GENERAL INSTRUCTIONS AND CONDITIONS TO BIDDERS:

1. Hidalgo County has invested taxpayer dollars in the acquisition of equipment that due to either manufacturer or warranty requirements may call for the use of name brand products. The information contained further describes and specifies lubricants or oil products requested in THIS BID. It is not the intent of Hidalgo County to restrict these bids in such cases, but to comply with either manufacturer or warranty requirements or to meet a pre-established standard due to like existing items. Bidder may offer lubricants/oil products that are the "same" or "equivalent" and burden of proof rests with the Bidder. Supporting documentation which clearly illustrates the composition and chemical equivalent of the lubricants and/or oil products must be submitted with this Bid. Further any additional information confirming use of the equivalent products will comply with manufacturer or warranty requirements must also be provided in this Bid. If an "equal" item is used then the bidder is responsible for any damage caused to County equipment which is a result of using such product not covered by the warranty.
2. Detailed specifications are included. Compliance with all specifications and conditions is required. All bids must include a detailed statement of exceptions taken to any part of the request.
3. BID ACCEPTANCE:
 - a) UNSIGNED BIDS WILL NOT BE CONSIDERED.
 - b) BIDS RECEIVED AFTER BID DATE WILL NOT BE CONSIDERED AND WILL BE RETURNED TO VENDOR UNOPENED.
 - c) ONLY SEALED BIDS WILL BE ACCEPTED. FAXED BIDS WILL NOT BE ACCEPTED.
 - d) Bids must be submitted by and will be opened at **9:30 A.M., WEDNESDAY, April 28, 2010** in the conference room located in the New Administration Building, 2812 S. Business Hwy 281, Edinburg, Texas.
4. For any questions pertaining to the bid specifications, please contact:
Olga T. Montero, Buyer
Phone Number (956) 292-7000 Ext. 4859 or email: olga.montero@co.hidalgo.tx.us
5. Any change to this bid documentation must be in a written addendum and signed by Martha L. Salazar, Purchasing Agent or her designee.
6. Detailed explanation of warranties must be provided with bid.
7. Hidalgo County will not accept "factory seconds" or otherwise inferior goods and reserves the right to return such item(s) within thirty (30) days of receipt at vendor's expense.
8. Descriptive specifications are referenced in this document to indicate the general kind and quality of equipment desired by Hidalgo County. Due to various styles and models of equipment, bidders are required to include illustrations, specifications, explanation of warranties and service data with their bid including catalogue numbers and any necessary references.

09. Hidalgo County reserves the right to hold bids ninety (90) days after bid opening before Commissioners' Court action and to award the bid most advantageous to the County.
10. Hidalgo County may seek purchases from state awarded vendors or any other cooperative purchasing programs, whenever it is in the best interest to do so.
11. No substitutes will be accepted after item(s) have been awarded as specified.
12. Hidalgo County 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 in award of new bid for next contract term.
13. To expedite evaluation of the bids it is mandatory that Hidalgo County forms be used to submit pricing information.
14. Bid on each item separately. Provide unit price on quantity specified and extended amount. In the event of error in extensions, the unit price shall govern.
15. The bid price will include all shipping and handling charges.
16. Bidder will be required to comply with all applicable equal employment opportunity laws and regulations.
17. Bids are to be net F.O.B. at the County Precincts' locations and Sheriff's Office specified herein.
18. All costs and expenses associated with the preparation and submission of (bids, proposals and/or quotes) shall be the responsibility of the bidder and no reimbursements for such charges or expenses shall be passed onto Hidalgo County.
19. Hidalgo County, Texas invites bids on lubricant, oil, hydraulic fluid and antifreeze products for a period of ninety (90) days with the County's discretion of beginning from bid award date.

BID PRICE: Bid your lowest delivery price as of the bid opening date.

Bidders shall provide the lubricant, oil, hydraulic fluid and antifreeze to the following locations and deliver the products ordered to those locations within 24 hours of the County's order to the following locations:

- a. Precinct #1: 1902 Joe Stevens Ave., Weslaco, TX.
- b. Precinct #2: 301 E. State, Pharr, TX.
- c. Precinct #3: 400 W. 13th Street, Mission, TX.
- d. Precinct #4: 1102 N. Doolittle Road, Edinburg, TX.
- e. Sheriff's Dept: PO Box 1228, Edinburg, TX.

20. **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:

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 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.
- 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.
- The County Purchasing Agent retains the right to determine whether or not such proposed price changes are in the best interest of the County.
- No price escalation will be authorized in excess of the amount of the increase referred to in the supplier's notice.
- 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.
- **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 difference between the contract price and the price adjustment.
- **Time Frame for Adjusted Price Increases:** Price increases are only valid for the quarter in which they are requested and approved. Prices shall return to the original contract price at the beginning of the following quarter unless a Vendor notifies the County in writing within ten (10) days of expiration of the quarter in which the price increase is in effect, that it desires to have the price increase continue or that the Vendor is requesting a different price increase for the following quarter. Such request must be supplemented with sufficient justification to demonstrate that the price increase remains necessary. The County Purchasing Department shall have sole discretion whether to grant the price increase extension. The County too, shall have discretion to unilaterally reduce, eliminate or extend a price adjustment to the Vendor at any time upon written notice from the County to the Vendor demonstrating justification for such reduction, elimination or extension of the price adjustment.
- **Allowable Review Periods:** Price adjustment reviews may only be requested by the Vendor on a quarterly basis. However, the County may at its own discretion, conduct temporary price adjustment reviews at any time. The County Purchasing Agent and/or the County Auditor reserve the right to audit and/or examine any pertinent books, documents, papers, records or invoices relating directly to the contract transaction in question after reasonable notice and during normal business hours.
- **Dollar Limit to Price Changes:** The total increase in contract price shall not exceed twenty-five percent (25%) of the original contract price during the contract term.

21. No cash advance discount will be considered.

22. Bids shall be on the BID FORM enclosed and sealed in an envelope clearly marked:
Request for Bids: 2010-066-04-28-otm-"Lubricants (Grease, Oil, Hydraulic Fluids) and Anti-Freeze Products"

23. The County reserves the right to accept or reject all or part of the bid, waive minor technicalities and award the bid to best serve the interest of the County.
24. Failure to bid may disqualify a vendor from providing products or services for the term of the contract.
25. Supplier or vendor with bid submission must furnish **Material Safety Data Sheet (MSDS)** information for all product bids.
26. Hidalgo County shall award the bid on a lump sum basis and/or item by item bid basis to one bidder, multiple bidders, primary or secondary vendor(s) whichever is in the best interest of the County. For evaluation and consideration of items bid, samples will be submitted upon request.

27. **ERRORS IN BIDS, RELIEF OF BID:**

Bidders or their authorized representatives are expected to fully inform themselves as to the conditions, requirements and specifications before submitting bids: failure to do so will be at the bidder's own risk and bidder cannot secure relief on the plea of error. Neither law nor regulation make the allowance for errors of omission or commission on the part of bidders. In case of error extension of prices in the bid, the unit price shall govern.

28. **ADDITIONAL INFORMATION:**

Further Information required regarding this project can be addressed to the Hidalgo County Purchasing Department through Olga Montero at (956) 318-2626. Hidalgo County is also requesting that any and all questions, inquiries and clarifications regarding quotes, bids, proposals or statement of qualifications be addressed to Martha L. Salazar, Purchasing Agent, at 2812 S. Business 281 (New Administration Bldg), Edinburg, Texas 78539. **TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.**

All written inquiries will be accepted via facsimile or email: olga.montero@co.hidalgo.tx.us no later than, Wednesday, April 21, 2010 at 5:00 P.M. at (956) 318-2629. Responses to said inquiries will be sent to all applicants via facsimile by no later than 5:00 P.M., April 23, 2010.

II. INSTRUCTIONS TO BIDDERS:

1. **BID WITHDRAWAL:** No bid may be withdrawn for a period of thirty (30) days subsequent to bid opening date without the expressed consent of the County.
2. **COMPLIANCE WITH SPECIFICATIONS AND HIDALGO COUNTY RIGHT OF SELECTION:** The bidder shall abide by and comply with the true intent of the specifications and not take advantage of any unintentional error or omission.
3. **EVALUATION OF BID:** All bids shall be evaluated on all factors involved. (i.e. price, quality, and service, etc.) whichever is in the best interest of the County.
4. **DEVIATIONS FROM SPECIFICATIONS:** All deviations from the specifications must be noted in writing, in detail by the bidder at the time of submittal of the bid. The absence of a written list of specification deviations will hold the bid strictly accountable to the County to the specifications as written. Any deviations from the specifications as written not previously submitted, as required, will be grounds for rejection of the materials and/or equipment when delivered.

5. **"OR EQUAL" INTERPRETATION CLAUSE:** Any time a particular manufacturer's name brand may be specified, it shall mean any product of equal quality. Bids shall be considered on all other brands submitted and on equal quality product of other manufacturers.

On all such bids, the bidder shall indicate clearly the product on which he is bidding, and shall supply sufficient data on his/her own letterhead to enable an intelligent comparison to be made with the particular brand or manufacturer specified. If after analyzing the bid, it is found that the bidder did not bid on the brand and model specified and a statement to the contrary is not submitted, the item will not be considered.

6. **REPRESENTATIONS:** The Vendor represents that the items and/or services provided by the vendor hereunder shall conform to the presentations of same as represented and described in the Attachments. Notwithstanding anything to the contrary herein, if for any reason Hidalgo County determines in its sole discretion, that part or all of such hardware, software and/or services fails to meet the expectation of Hidalgo County, Hidalgo County may on thirty (30) days notice terminate this Agreement and receive the pro-rata portion of the contract sum paid to the Vendor by Hidalgo County for the un-expired term of this Agreement.

- A) All oil, hydraulic fluid and antifreeze shall be furnished and priced in sizes as specified on specifications, with unbroken seals, that are sealed by the manufacturer.
- B) Size and/or weight shall be stated for lubricant grease and it shall be furnished in container and/or cartridge, with unbroken seals, that are sealed by the manufacturer.
- C) Each container shall be labeled, or bear a decal or placard indicating the name and grade of the lubricant, including but not limited to, all specifications of the product contained therein. This will guarantee proper identification of each container by County employees.
- D) If the products bid are repackaged locally, vendors shall make those facilities available to the appropriate County employees to insure cleanliness and proper handling. Repackaged product should also be labeled as stated above. **Only Products that meet manufacturer's equipment standards will be permitted.**

7. Bidders having a history of inconsistent services and unreliability will not be considered by the County to be a responsible bidder.
8. Responsible Bidder: The business must be a well established organization and have an adequate number of trained personnel to ensure quality and performance and completion of contract within a specified time period.
9. Hidalgo County reserves the right to review and renew and/or terminate contract at the expiration of each budget period. The contract is for current revenues only. If termination of contract is necessary, the successful bidder will not add any termination penalties of said contract.

III. **BID AWARD:**

1. Hidalgo County shall award the bid on a lump sum basis and/ or item by item bid basis to one bidder, multiple bidders, primary or secondary vendor(s), whichever is in the best interest of the County. For evaluation and consideration of items bid, samples will be submitted upon request.
2. After bid is awarded and low bidder(s) default(s) in meeting the general instructions to bidders and/or comply with contract agreement, Hidalgo County reserves the right to seek services from the next low bidder. In such event, County shall charge the successful bidder the difference for any additional cost of such item.
3. The successful bidder will be notified of the award. Vendors requesting information on bid awards may contact the Purchasing Department at (956) 318-2626.

HIDALGO COUNTY
"LUBRICANTS (GREASE, OIL, HYDRAULIC FLUIDS)
AND ANTI-FREEZE PRODUCTS"
Bid No: 2010-066-04-28-otm

ACKNOWLEDGMENT FORM -- NON-COLLUSIVE BIDDING CERTIFICATION

I/We have read instructions to bidder and specifications. My/Our bid conforms with all bid specifications, conditions, and instructions as outlined by Hidalgo County. Signing the Acknowledgment Form confirms that our company will enter into a binding contract with Hidalgo County for item(s) awarded to our company.

The undersigned Bidder, by signing and executing this bid, certifies and represents to Hidalgo County that Bidder has not offered, conferred or agreed to confer any pecuniary benefit, as defined by §1.07(a)(6) of the Texas Penal Code, or any other thing of value, as consideration for the receipt of information or any special treatment or advantage relating to this bid; the Bidder also certifies and represents that Bidder has not offered, conferred or agreed to confer any pecuniary benefit or other things of value as consideration for the recipient's decision, opinion, recommendation, vote or other exercise of discretion concerning this bid; the Bidder certifies and represents that Bidder has neither coerced nor attempted to influence the exercise of discretion by any officer, trustee, agent or employee of Hidalgo County concerning this bid on the basis of any consideration not authorized by law; the advantage with respect to this bid; the Bidder further certifies and represents that Bidder has not violated any state, federal or local law, regulation or ordinance relating to briber, improper influence, collusion or the like and that Bidder will not in the future offer, confer, or agree to confer any pecuniary benefit or other thing of value any officer, trustee, agent or employee of Hidalgo County in return for the person having exercised the person's official discretion, power or duty with respect to this bid; the Bidder certifies and represents that it has not now and will not in the future offer, confer or agree to confer a pecuniary benefit or other thing of value to any officer, trustee, agent or employee of Hidalgo County in connection with information regarding this bid, the submission of this bid, the award of this bid or the performance, delivery or sale pursuant to this bid.

Items Check List:

Yes No

- 1. Used County Forms
- 2. Bid Price firm ninety (90) days after bid opening with board action.
- 3. Acknowledgment Form shows full name and address of Bidder.
- 4. Acknowledgment Form signed by authorized representative.

5. Bid prices are to remain for a period of: (Whichever option bidder selects)

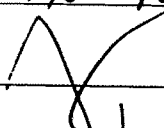
OPTION I: **Six Months (6) with Hidalgo County's sole discretion to extend the contract for an additional Six (6) Months with a Sixty (60) Day Grace Period at the end of the contract term and contingent upon cost to remain unchanged.**
YES _____ NO _____

OPTION II: **One (1) Year with Hidalgo County's sole discretion to continue this bid for an additional Sixty (60) Day Grace Period at the end of the contract term for unforeseen delay in award of new bid and contingent upon cost to remain unchanged.** **YES _____ NO _____**

- 6. Literature submitted is the most current reflecting item(s) being bid.
- 7. Bidder shall deliver fuel requested within 24 hours after request by County.
- 8. I/We understand Hidalgo County reserves the right to increase or decrease quantity(s) up to 25% of item(s) awarded at bid price for the length of the contract as approved by County Commissioners.
- 9. I/We have read and understand:
 - I. General Instructions to Bidders.
 - II. Instructions to Bidders.
 - III. Bid Award. Items
 - IV. Delivery Instructions.
 - V. Billing and Payment Instructions.

HIDALGO COUNTY
"LUBRICANTS (GREASE, OIL, HYDRAULIC FLUIDS)
AND ANTI-FREEZE PRODUCTS"
Bid No: 2010-066-04-28-otm

ACKNOWLEDGMENT FORM

COMPANY NAME: Arguindegui Oil Co. II Ltd.
ADDRESS: 4506 Hwy 359
CITY/STATE/ZIP: Laredo TX 78043
AUTHORIZED SIGNATURE: 
AUTHORIZED SIGNATURE (PRINT): LINDSAY CLARK
TITLE: Sales
TELEPHONE NUMBER: 956 722 5251
CELL NUMBER: 956 703 8346
FAX NUMBER: 956 727 7636

(MUST BE RETURN WITH BID)

**EXHIBIT “B”
PAYMENT SCHEDULE**

HIDALGO COUNTY
 "LUBRICANTS (GREASE, OIL, HYDRAULIC FLUIDS)
 AND ANTI-FREEZE PRODUCTS"
 2010-066-04-28-otm

OPENED
 9:49 am
 APR 28 2010

BID PAGE

Witnessed

Diesel Engine Lubricants

Made available in the following sizes: Pint, Quart, 1 Gallon, 5 Gallon, 55 Gallon, Bulk

- 1A SAE15W-40 meeting the following specifications:
 CI-4, CH-4, CF-4, Cummins CES 20078, EOM+, Volvo VDS2/IVDS, Allison C-4, API SL-SJ, Minimum 10 TBN

	Brand	Product No.	Price Per Unit
Quart	CONOCO	Fleet EC Supreme	37.46 case 3.12 per qtr.
Gallon	CONOCO	" 15W40	30.42 case 7.60 per jug
5 Gallon	CONOCO	Fleet Supreme	33.75
55 Gallon		15W40	
Fleet Supreme	"	"	335.75
Bulk	"	"	5.65

- 1B SAE 10W meeting the following specifications:
 CF, CD, SL, SJ, Allison C-4, Cat TO-2, Minimum 7.5 TBN

	Brand	Product No.	Price Per Unit
Quart			
Gallon	"		
5 Gallon	CROSS	Fleet 10W	32.80
55 Gallon	"	"	319.80
Bulk	"	"	5.36

- 1C SAE 30W meeting the following specifications:
 CF-2, CF, CD, SL, SJ, Allison C-4, Cat TO-2, Minimum 7.5 TBN

	Brand	Product No.	Price Per Unit
Quart	CONOCO	Fleet 30W	26.51 case 2.21 per qtr.
Gallon	"	"	39.15 case 9.79 per jug
5 Gallon	"	"	34.25
55 Gallon	"	"	341.25
Bulk	"	"	5.75

- 10 SAE 40W meeting the following specifications:
 CF-2, CF, CD, SL, SJ, Minimum 7.5 TBN

	Brand	Product No.	Price Per Unit
Quart			
Gallon	CONOCO	Fleet 40W	35.34 case 4/1 8.8350 per jug
5 Gallon	North Amer. Lube	"	35.25
55 Gallon	"	"	352.25
Bulk	"	"	5.95

BID PAGE (CON'T)

1E. Rotella T (15 W-40 C J 4)

	Brand	Product No.	Price Per Unit
Quart	CONOCO	Fleet Supreme El 15W40	\$30.42 case 2.535 per qtr.
Gallon	"	"	\$37.46 case 4/1 9.3650 per jug
5 Gallon	"	"	\$36.00 pail
55 Gallon	"	"	\$360.50 drum
Bulk	"	"	\$6.10 gal.

2 Gasoline Engine Lubricants

Made available in the following sizes: Pint, Quart, 1 Gallon, 5 Gallon, 55 Gallon, Bulk meeting the following specifications: API, SL, SH, ILSAC-GF3 (Multigrades only) FORD WSS=M2C153H (5W-20 only) SAE 5W-30

2A

	Brand	Product No.	Price Per Unit
Quart	CONOCO	5W30	27.42 case 2.285 per qtr.
Gallon	"	"	
5 Gallon	North Amer. Lube	"	32.50
55 Gallon	"	"	322.00
Bulk	"	"	5.40

2B

	Brand	Product No.	Price Per Unit
Quart	CONOCO	10W30	27.25 case 2.271 per qtr.
Gallon	"	"	
5 Gallon	North Amer. Lube	"	31.50
55 Gallon	"	"	311.00
Formula Shell	"	"	
Bulk	"	"	5.20

2C

	Brand	Product No.	Price Per Unit
Quart	CONOCO	5W20	27.60 case 2.30 per qtr.
Gallon	"	"	
5 Gallon	North Amer. Lube	"	32.50
55 Gallon	"	"	322.00
Premium Synthetic Blend	"	"	
Bulk	"	"	5.40

2D

	Brand	Product No.	Price Per Unit
Quart	CONOCO	Fleet 30w	26.51 case 2.21 per qtr.
Gallon	"	"	39.15 case 9.7875 per jug
5 Gallon	"	"	34.25
55 Gallon	"	"	341.25
Bulk	"	"	5.75

BID PAGE (CONT)

2E SAE40

	Brand	Product No.	Price Per Unit
Quart	CONOCO	Fleet 40W	—
Gallon	11	11	35.34 case 8.835 per jug
5 Gallon	11	11	35.25
55 Gallon	11	11	352.25
Bulk	11	11	5.95

2F SAE5W-20 SIMI SYNTHETIC

	Brand	Product No.	Price Per Unit
Quart	North American	5W20	—
Gallon	11	11	—
5 Gallon	11	11	32.50
55 Gallon	11	11	322.00
Bulk	11	11	5.40

3 Automatic Transmission Lubricants

Made available in the following sizes: Quart, Gallon, 5 Gallon, 55 Gallon

3A Mercon/Dexron III ATF meeting specifications for:
Mercon/Dexron II & III & IIIE, Allison C-4, Cat TO-2

	Brand	Product No.	Price Per Unit
Quart	CONOCO	ATF	26.72 case 2.23 per qtr.
Gallon	CROSS	11	30.40
5 Gallon	11	11	298.90
55 Gallon Formula Shell	11	11	4.98

BID PAGE (CONT)

3B Type F ATF meeting Ford M2C33-F specifications

	Brand	Product No.	Price Per Unit
Quart	_____	_____	_____
Gallon	_____	_____	_____
5 Gallon	_____	_____	_____
55 Gallon	_____	_____	_____

3C Mercon 5 • Transmission Fluid

	Brand	Product No.	Price Per Unit
12/1 QT	CONOCO	Mercon V	44.05 case 3.67 per qt.
16 Gallon	_____	_____	_____
55 Gallon	CONOCO	11	788.95

4 Tractor Hydraulic Fluids

Made available in the following sizes: 5 Gallon, 55 Gallon
 Meeting the following specifications: Case Hy-TranITCH, Cat TO-2, JD 303/J20C, Ford-new Holland M2C134 A/B/C/O Massey M1141, Vickers M-2950-S, 1-286-S, Universal Tractor fluid serving transmissions, final drives, oil immersed brakes and hydraulic systems

	Brand	Product No.	Price Per Unit
5 Gallon Steiner Hydraulic Oil	LATCH	Prim Tractor Hyd.	24.90
55 Gallon Lubriguard 303	11	11	260.40

5 Differential Final Drive Gear Lubricants

Made available in the following sizes: 35# Pail, 120 Lb Keg, 400 Lb Drum

	Brand	Product No.	Price Per Unit
35# Pail	North Amer. Lube	80W90	36.85
120 Lb Keg	11	11	118.32
400 Lb Drum Spirax	11	11	309.85

5A SAE 80W-90 Gear lubricant meeting the following specifications:
 GL-5, GL-4, Mack GO-J, MIL-L-2105D, MIL-PRF-2105E

	Brand	Product No.	Price Per Unit
35# Pail	North Amer. Lube	80W90	36.85
120 Lb Keg	11	11	118.32
400 Lb Drum	11	11	309.85

5B SAE 85W-140 Gear lubricant meeting the following specifications:
 GL-5, GL-4, Mack GO-J, MIL-L-2105D, MIL-PRF-2105E

	Brand	Product No.	Price Per Unit
35# Pail	North Amer. Lube	85W140	36.85
120 Lb Keg	11	11	118.32
400 Lb Drum	11	11	309.85

BID PAGE (CONT)

5C SAE 75W-90 Synthetic Gear lubricant meeting the following specifications:
GL-5, MT-1, Mack GO-J

	Brand	Product No.	Price Per Unit
35# Pail	CONOCO	Syn 75W90	108.95
120 Lb Keg			374.56
400 Lb Drum Spirax			1248.97

5D SAE 50W Synthetic Transmission lubricant meeting the following specifications:
MT-1 performance for Eaton, Mack, Meritor, Navistar

	Brand	Product No.	Price Per Unit
35# Pail	North Amer. Lube	Syn 50W	83.69
120 Lb Keg			270.20
400 Lb Drum			867.98

5E. SAE50W Synthetic Transmission lubricant meeting the following specifications:
MT-1 performance for Eaton, Mack, Meritor, Navistar

	Brand	Product No.	Price Per Unit
35# Pail	North Amer. Lube	Syn 50W	83.69
120 Lb Keg			270.20
400 Lb Drum			867.98

SF CAT TO-4 SAE 30 Drive Train oil for Final Drives meeting the following specifications:
Allison, C4, C3, Cat TO-4, TO-2, SAE 30W

	Brand	Product No.	Price Per Unit
35# Pail	_____	_____	_____
120 Lb Keg	_____	_____	_____
400 Lb Drum CAT	_____	_____	_____

5G CAT TO-4 SAE 50 Drive Train oil for Final Drives meeting the following specifications:
Allison, C4, C3, Cat TO-4, TO-2, SAE 50W

	Brand	Product No.	Price Per Unit
35# Pail	_____	_____	_____
120 Lb Keg	_____	_____	_____
400 Lb Drum CAT	_____	_____	_____

BID PAGE (CONT)

6 Hydraulic Lubricants in various viscosities made available in the following sizes: 5 Gallon, 55 Gallon
Meeting the following specifications: Denison HF-Q, Vickers M-2950-S, 1-286-5, TCST min 2000 hrs.

6A 15032

	Brand	Product No.	Price Per Unit
5 Gallon	_____	_____	_____
55 Gallon	_____	_____	_____

6B 15046

	Brand	Product No.	Price Per Unit
5 Gallon	CONOCO	Megaflo H4	31.75
55 Gallon	"	" "	313.75

6C 15068

	Brand	Product No.	Price Per Unit
5 Gallon	North Ame Lub.	Hyd 68	27.75
55 Gallon	"	"	269.75

6D ISO 100

	Brand	Product No.	Price Per Unit
5 Gallon	_____	_____	_____
Quincy	_____	_____	_____
55 Gallon	_____	_____	_____

7 BRAKE and POWER Steering Fluids made available in the following sizes: Pint, Quarts, Gallon
Meeting the following specifications: DOT3 for Brake Fluid Ford, GM, Chrysler for Power Steering

7A Brake Fluid

	Brand	Product No.	Price Per Unit
Pint	_____	_____	_____
Quart	_____	_____	_____
Gallon-Shell	_____	_____	_____

7B Power Steering Fluid

	Brand	Product No.	Price Per Unit
Pint	_____	_____	_____
Quart	_____	_____	_____
Gallon-Gunk	_____	_____	_____

8 Aeroshell Fluid 4 Fluid make available in the following sizes 1 Gallon, 55 Gallon

	Brand	Product No.	Price Per Unit
5 Gallon	_____	_____	_____
55 Gallon	_____	_____	_____

BID PAGE (CONT)

9 Chassis Grease made available in the following sizes: Case of 10 tubes, 35# Pail, 120# Keg, 55 Gallon Drums

9A Lithium Complex High Temp Grease meeting specifications:
NLGI-2, ASTM 04950 GC-LB, Suitable for wheel bearings, chassis, PTO, U-Joints, On & Off Road Applications

	Brand	Product No.	Price Per Unit
Case 10	CONOCO	Dynalife GCLB#2	20.98 case 10/14oz.
35# Pail	11	11	61.88
120 # Keg-Mystik	11	11	260.89
55 Gallon	11	11	763.00

9B Lithium Complex High Temp Grease w/ 3% moly meeting specifications:
NLGI-2, ASTM 04950 GC-LB, Suitable for wheel bearings, chassis, PTO, U-Joints, On & Off Road Applications

	Brand	Product No.	Price Per Unit
Case 10-CAT	CONOCO	Megaplex XD3	24.97 case 10/14oz.
35# Pail	11	11	99.65
120 # Keg-CAT	11	11	338.54

10 Antifreeze made available in the following sizes: 1 Gallon, 55 Gallon

10A Ethylene Glycol Antifreeze meeting specifications for:
ASTM 03306 for automotive ASTM 0 4985 for Heavy Duty Diesel

	Brand	Product No.	Price Per Unit
1 Gallon	_____	_____	_____
55 Gallon-Shell Zone	KMCO	Parr EC 50/50	188.35

10B Extended Life Antifreeze Coolant meeting specifications for:
CAT EC-1, TMC RP 329, TMC RP 338, Matching Caterpillar Extended Life Coolant, Detroit Diesel

	Brand	Product No.	Price Per Unit
1 Gallon	_____	_____	_____
55 Gallon	KMCO - Parr	Coolant Plus 50/50	231.25

11 Shop Chemicals and Products made available in various sizes

11A Aerosol Brake Cleaner

Size	Brand	Product No.	Price Per Unit
_____	_____	_____	_____

11B Aerosol Engine Degreaser

Size	Brand	Product No.	Price Per Unit
_____	_____	_____	_____

11C Aerosol Starting Fluid-Spray Can

Size	Brand	Product No.	Price Per Unit
_____	_____	_____	_____

BID PAGE (CON'T)

11D	Aerosol Penetrating Oil- WD 40			
	Size	Brand	Product No.	Price Per Unit
	_____	_____	_____	_____
11E	Oil Absorbent - Absorb & Dry			
	Size	Brand	Product No.	Price Per Unit
	50 lbs	_____	_____	6.78 per bag.
11F	Gasoline Fuel Additive - Seafoam			
	Size	Brand	Product No.	Price Per Unit
	_____	_____	_____	_____
11G	Diesel Fuel Additive			
	Size	Brand	Product No.	Price Per Unit
	96.02.	Power Service	Diesel Kleen	10.74 96oz.
11H	Engine Oil Additive			
	Size	Brand	Product No.	Price Per Unit
	_____	_____	_____	_____
11I	Aerosol Lubricant			
	Size	Brand	Product No.	Price Per Unit
	_____	_____	_____	_____
12	Mineral Spirits made available in the following sizes: 5 Gallon, 55 Gallon			
12A	Mineral Spirits meeting specifications for: Naphtha, Parts Cleaner			
		Brand	Product No.	Price Per Unit
	5 Gallon	Buckley	Mineral Spirits	29.38
	55 Gallon			240.62
13	Easy Slide RB-9512 Dryfilm Lubricant: Lube-A-Boom			
		Brand	Product No.	Price Per Unit
	12.8 oz. can	_____	_____	_____

Olga,

Here are the clarifications. If you have any question please feel free to call me or email.

3A – Mercon/Dexron

	<u>Price</u>
Quart	\$26.72 case 12/1 \$2.23 per qtr.
Gallon	N/A
Pail 1/5	\$30.40
Drum 1/55	\$298.90

The \$4.98 would be if you buy it in bulk.

We could sell individuals but only in Jugs not in quarts.

The case of jugs come in 4/1. The case of quarts come in 12/1.

Thanks,

Lily Garcia

Executive Assistant/ Purchasing Dept.

Arguindegui Oil Co.II, LTD.

956-722-5251 Ex. 26

956-727-7636 fax

EXHIBIT “C”
INSURANCE REQUIREMENTS

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

6/9/2010

PRODUCER Phone: 361/358-2412 Fax: 361/358-7403
 TCOR Insurance Management
 P.O. Box 790
 Beeville TX 78104

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
 Arguindegui Oil Co II Ltd
 PO Box 1367
 Laredo TX 78042

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Texas Mutual Insurance	
INSURER B: AMERICAN GUAR & LIAB INS	26247
INSURER C: RSUI Indemnity Company	
INSURER D: ZURICH AMERICAN INS CO OF IL	27855
INSURER E: American Zurich Insurance	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
D	X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	CPO9470237	6/27/2009	6/27/2010	EACH OCCURRENCE	\$ 1,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$100,000
						MED EXP (Any one person)	\$
						PERSONAL & ADV INJURY	\$ 1,000,000
						GENERAL AGGREGATE	\$ 2,000,000
						PRODUCTS - COMP/OP AGG	\$ 2,000,000
						Emp Benefits	\$1,000,000
B	X	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> MCS 90 INCLUDED	CPO9470237	6/27/2009	6/27/2010	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
						OTHER THAN AUTO ONLY: EA ACC	\$
						AGG	\$
C		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/> CLAIMS MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$10,000	NHA049354	6/27/2009	6/27/2010	EACH OCCURRENCE	\$ 10,000,000
						AGGREGATE	\$
							\$
							\$
							\$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Yes If yes, describe under SPECIAL PROVISIONS below	TSF0001130384	5/1/2010	5/1/2011	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER	
						E.L. EACH ACCIDENT	\$ 1,000,000
						E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
						E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
E		OTHER Comm Property	CPO9470237	6/27/2009	6/27/2010	Building	\$7,852,944
						Contents	\$5,509,174

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 Workers Compensation contains Blanket waiver of subrogation endorsement as required by written contract. USL&H coverage is provided.

CERTIFICATE HOLDER

Hidalgo County
 Attn: Purchase Dept
 2812 S. Business Highway 281
 Edinburg TX 78539 USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Bern R Dul

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.